The Signalman's JOURNAL

SEPTEMBER, 1973

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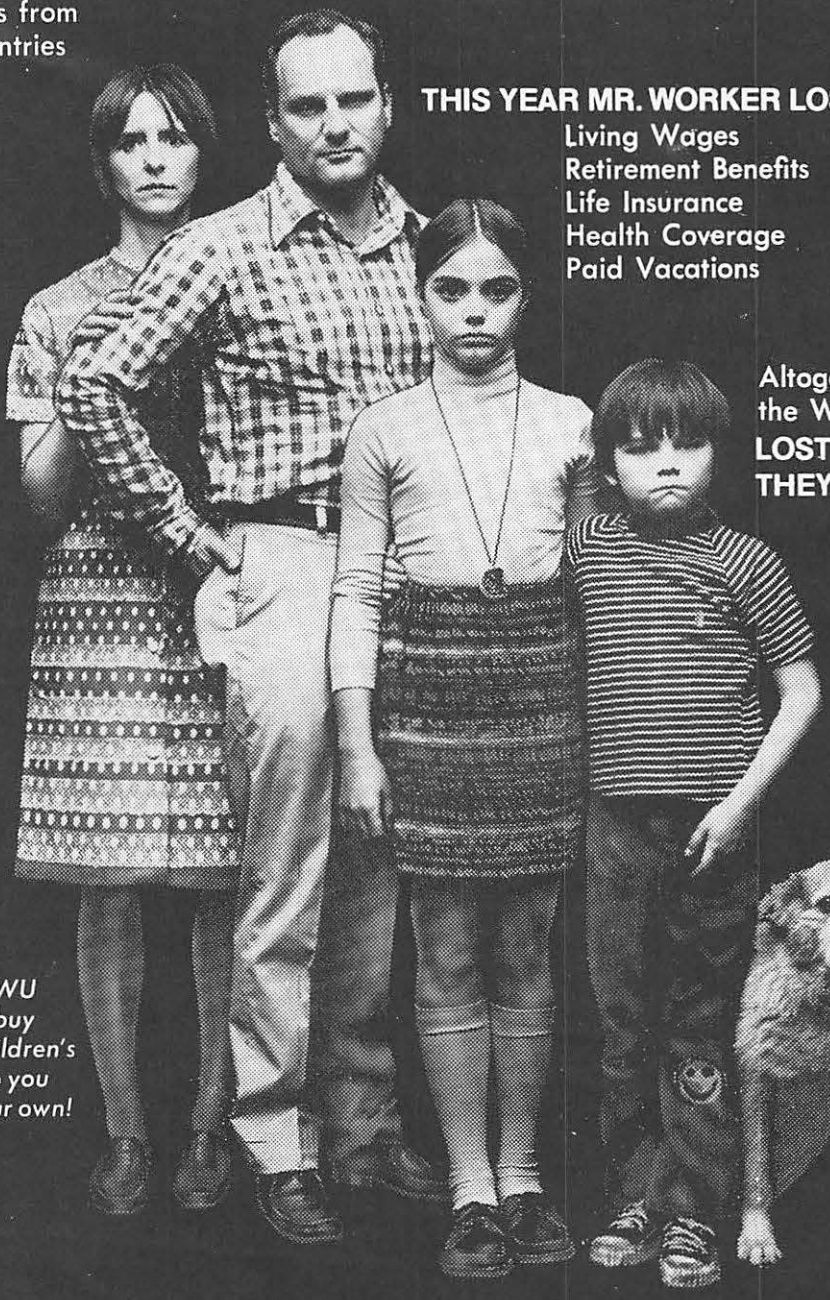
low wage countries



THIS YEAR MR. WORKER LOST HIS JOB...
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Retirement Benefits
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Health Coverage
Paid Vacations

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the Worker family...
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THE Signalman's JOURNAL

OFFICIAL PUBLICATION BROTHERHOOD OF RAILROAD SIGNALMEN

J. W. Walsh, Jr., Editor

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SEPTEMBER, 1973

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INTERNATIONAL LABOR PRESS AFL-CIO ASSOCIATION

A Message From President C.J. Chamberlain

THE 1973 CONVENTION IS now history and as we look back on the proceedings there is no doubt in my mind that it was one of the most progressive and productive Conventions ever held by our Brotherhood.

There were recommendations made to the Convention by the Committee on Laws which were rejected and in our judgment should have been adopted, nevertheless, on major issues the delegates acted responsibly and progressively.

Unquestionably, the most important action taken by our delegates was the adoption of a new Grand Lodge per capita tax structure which is geared to the minimum hourly rate of pay of a Signalman-Signalman Maintainer effective October 1, 1973. The new Grand Lodge per capita tax formula based on four hours per quarter should provide our Brotherhood with sufficient funds to not only maintain our operation, but to improve our service to the membership.

In addition, in our judgment, the action taken by the Convention to subscribe for LABOR Newspaper for all of our active members in the United States, and the Canadian Railwayman for our Canadian members was most progressive as it will improve communications to our members.

The combination of our Signalman's Journal and LABOR Newspaper will make our entire membership the best informed group in the railroad labor organizations and as we all know, frequent and accurate communication is a most essential element in any progressive organization.

I could go on and on about our Convention proceedings as they were lengthy and productive, however, I think my views of the Convention proceedings and the future of our organization can best be summed up by my closing remarks to the Convention prior to adjournment, which are quoted from the verbatim minutes of the last day of our 1973 Convention as follows.

"The Chair would like to talk to you just for a few moments, not too long, because I know you are all anxious to get out of here.

"And I want to commend you for the businesslike way you have conducted yourselves this week. I have

been to a lot of Conventions of this Brotherhood for a number of years, and believe me it gives me a great deal of pride and pleasure to stand up here and look out there and watch you fellows. It's easy from this end when you pay attention like you do. I don't think I had to rap the gavel once this week to bring you to order for reasons of non-attention, and I think that is a real tribute to all of you fellows. I think you recognize that we have said many times you come to Convention to work. We have worked hard this week. In fact, I predicted that we wouldn't finish by the time we are finishing because of the complexity of the issues.

"But again, you responded to what we suggested to you. The issues are here, they are well known. Let's get to them like men and get them resolved, and I think we did exactly that.

"I want to commend you for the businesslike manner and the way you conducted yourselves in this Convention. I think all of you are a real credit to the Locals and the General Committees that sent you down here. I think we have taken a lot of progressive action. We appreciate you giving us the money to keep this thing going. It isn't what we asked for, but you went a long way and you adopted a formula that I think we can safely predict will take care of our financial needs for some time to come, unless the bottom falls out.

"But you met that issue head-on, and I know it's not easy for you to go back to your locals and tell them why you did what you did. That's your job. Just like me or any other Grand Lodge officer when we get into negotiations, we know what the mandates are, we know what the priority items are. We don't always get all of them and we have to come back with an explanation to you why we did not.

"The next three years are going to be tough years. Just because we have a semblance of improved labor relations on the railroads in the railroad industry which are long overdue, don't for one moment think that they have automatically assumed the role of a benevolent society. We have just made them sit down and start talking realistically to us, which is a decided improvement. They are not sitting down in Washington or on any carrier with a blank check just asking me to fill in the amount. Everything that we get we are going to have to work for, and work hard.

"I have no fear about anything that we set out to do. We are not going to achieve everything. But I can assure you of one thing, we are going to make progress. And I think that's all you can expect of us and that's all we can expect to do. Just keep progressing. If we keep progressing like we have in the past six years and like we have in our Conventions in the past two or three, there's just no limit to what we can achieve, and again I just want to thank you for your patience. I know that sometimes you too become upset with the Chair, but even though you behave, it's not an easy task to try to keep up with all the things we are handling. They are very complex and we do our best, and we never try to ramrod anything through. We want to always have everybody have an opportunity to fully debate the issues, because I believe in that.

"Again I want to thank all of you for your kind attention and patience and wish you all a very safe and speedy trip home. And God bless you all, because we are all members, as you have heard here today, of the finest labor organization in the world. And it's a real pleasure and privilege to be able to serve you as its President.

"Thank you very much."

Nixon Signs Bill That Extends Temporary Annuity Increases And Lowers Employes' Retirement Tax

PRESIDENT NIXON HAS signed into law a bill which revises certain eligibility requirements for annuities under the Railroad Retirement Act, extends the present temporary railroad retirement benefit increases through December 31, 1974, and lowers the railroad retirement tax rates for employes. This legislation also amended the Interstate Commerce Act to provide new procedures for obtaining faster freight rate increases for railroads.

• Effective October 1973, later in some cases, railroad employes will pay the same in railroad retirement taxes as employes covered under the social security system. The railroads will pick up the difference between the former employe-employer rate of 10.60 percent and the new employe rate of 5.85 percent. These rates apply to earnings up to $900 per month in 1973 and $1,050 per month in 1974.

Age annuities awarded to male employes retiring July 1, 1974, or later, at ages 60-64 on the basis of 30 years of service will no longer be reduced for early retirement. These will now be full annuities, the same as for females. However, such reductions in annuities will continue for male employes who retire before July 1974. The provision for reductions in the annuities of male or female employes who retire between ages 62-64 with less than 30 years of service is unchanged.

• The 15, 10 and 20 percent temporary annuity increases will be continued until December 31, 1974. These increases were scheduled to expire June 30, 1973. Railroad management and labor are to make mutual recommendations to Congress, aimed at making these increases permanent and the railroad retirement system financially secure on a long range basis.

• Additional increases will be provided railroad retirement annuitants as a result of the estimated 5.6 percent increase in social security benefits which becomes effective June 1, 1974. Such railroad retirement increases for most employe annuitants will be equal to the dollar amount payable to social security beneficiaries with equivalent earnings. There will be no reduction in their increases if they are also entitled to social security benefits.

* * *

In a separate bill which the President also signed into law, benefits were extended to railroad employes and their families similar to those recently provided under the social security system. Major provisions are as follows:

• Full Medicare coverage before age 65 is now available for qualified railroad employes, their spouses and dependent children who suffer from chronic kidney disease.

• Survivor annuities are now payable for a child on the basis of a disability which began before age 22, rather than age 18. Monthly benefits payable to young mothers on the basis of caring for disabled children are consequently being provided some wives and widows previously not eligible.

• Survivor benefits for students age 18 to 22 may be extended through the end of the quarter of school semester in which the student attains age 22.

• Children's survivor benefits will not be terminated by adoption. Previously, their adoption by someone other than a close relative terminated benefits.

The survivor changes are generally retroactive to January of 1973. Individuals who were denied benefits earlier, and who believe they might be eligible under the new law, should contact the nearest office of the Railroad Retirement Board.

PARLIAMENT ACTS TO END CANADIAN SIGNALMEN'S STRIKE

CANADIAN SIGNALMEN WHO had been on a nationwide strike for nine days were ordered by Parliament on September 1 to return to work by midnight.

Any refusal by union leaders or members to end their strike could be punished by fines of $500 a day and up to two years in prison under the Canadian criminal code for failure to comply with an act of Parliament.

The Signalmen were part of the 56,000 nonoperating railway employes who went on a nationwide strike following a month of regional, rotating, strikes.

Under the legislation, the average minimum hourly rate will increase from the present $3.54 to $4.19 by July 1, 1974.

The government proposed an increase of 30 cents an hour which was raised to 34 cents per hour by a vote of Conservatives and New Democrats over Liberal government objections in the House of Commons. This increase still can be boosted by a government arbitrator who had not been chosen at this writing.

The terms of the bill make the increases effective from last January 1 and another increase of 8 percent next year.

Grand Lodge Representative John Platt, the Signalmen's representative on the Negotiating Committee reported the nonops have been asking for a raise of 38 cents per hour for this year and 10.8 percent for next year.

The October issue of the Journal will carry a complete story of the strike and the final wage settlement.

Grand Lodge Representative John E. Platt, on left, and General Chairman J. E. Dubois, on right, have spent many hours planning and organizing the Signalmen's strike activities in Canada. This picture was taken in New Orleans prior to the opening of our Convention. Grand Lodge Representative R. R. Mitchell was in Western Canada at that time making final arrangements for rotating strikes in that area.

Thirty-Ninth Signalmen's Convention Report
Fifth Triennial and Thirty-Ninth Regular Convention Report

MORE THAN 500 DELegates, their families and visitors, filled the Grand Ballroom of the Fairmont Roosevelt Hotel in New Orleans, Louisiana as President Emeritus Jesse Clark, temporary chairman, called the Thirty-Ninth Regular Convention to order on July 23.

Following the singing of the national anthems of the United States and Canada by Dick Sarlo, the Reverend Richard J. Meyer, Pastor of St. Paul's Lutheran Church of New Orleans, delivered the invocation.

Temporary Chairman Clark welcomed the delegates and their families and noted this was the first meeting of any group that he had chaired since retiring in 1967. He noted in 1970 at the Signalmen's Thirty-Eighth Convention he was just recovering from an illness and here in New Orleans he was recovering from an accident and said he would be more careful prior to our 1976 convention.

Further, he stated it was an honor and pleasure to be privileged to preside at the opening of the Thirty-Ninth Convention of our beloved Brotherhood.

Clark then introduced Mr. Joseph V. Di Rosa, councilman-at-large, who represented Mayor Moon Landrieu, and extended the official welcome of the City of New Orleans.

Councilman Di Rosa spoke of the railroad industry in New Orleans and how it has contributed to the economic growth of the city. He also presented certificates of Honorary Citizenship and gold keys to the city to President Chamberlain and several of the convention speakers.

Temporary Chairman Clark then introduced President C. J. Chamberlain, who welcomed the delegates and their families and stated it was a great privilege and a pleasure to appear before such a distinguished group and welcomed them to the Thirty-Ninth Regular Convention of the Brotherhood of Railroad Signalmen.

The Reverend Richard J. Meyer, Pastor of St. Paul's Lutheran Church of New Orleans, opened the Thirty-Ninth Regular BRS Convention by delivering the invocation.

In his keynote remarks President Chamberlain noted it seemed but a relatively short time since our Las Vegas convention. However, in the three years that have passed since that time our Brotherhood has been involved in many areas. In fact, Chamberlain noted, when reviewing the Officers' Report to this convention, he was amazed at how our Brotherhood was able to be involved in so many matters in such a short period of time.

Chamberlain noted Grand Lodge officers point with pride to that report, as the accomplishments and gains made by our Brotherhood in behalf of our membership during that period ranks second to none in the railroad labor movement.

While the past three year period has seen a number of accomplishments, it also had its sadder moments, as two of our Grand Lodge officers, Brothers T. H. Gregg and C. R. Scott, were taken prematurely from our midst by death. Our Brotherhood has suffered a real loss, he said, as both were men of character, integrity, ability and dedication. He spoke of how we relied on their guidance, wisdom and counsel, in the operation of our Grand Lodge.

He then called upon all in attendance to observe a moment of silence in memory of these Grand Lodge officers and all other departed brothers, family members and friends.

President Chamberlain continued by saying that three years ago in convention in Las Vegas, we were pointing with pride to the accomplishments made in a 1968 wage case, which was the first time our Brotherhood received the nationwide, industrywide identity and recognition so justly deserved.

Also at that time, we were in the midst of negotiations on our October 1969 wage and May 1970 fringe benefit notices; in connection with this, after our convention, the highlight event was unquestionably the national strike against all carriers in the United States on May 17 and 18, 1971.

Our organization, representing approximately 2 percent of the railroad employes in the industry, conducted a legal, successful withdrawal from service which eventually led to a satisfactory agreement for our membership, our success being due to the efforts of the Grand Lodge, our General Committees, our Local Lodges, our membership, plus the 1000 percent support of our sister unions, who not only respected our picket lines, but assisted us in countless ways.

He stated he would like to take this opportunity to again publicly thank all of the officers of our sister organizations for their cooperation and assistance. And he reminded all that it is a well known fact that railroad employes are a close knit group. When one group experiences trouble they can always rely on their brothers and fellow employes for assistance.

We should now look at the present, he said, and try to project what the future holds for our members.

He told of railway labors joint effort during the past several months of endeavoring to work out with the carriers a restructured Railroad Retirement System to ensure its actuarial soundness forever.

Initial efforts of the Railroad Retirement Labor-Management Committee resulted in the enactment of legislation which became effective July 1, 1973. This legislation is a great step forward in restructuring our Railroad Retirement System because it provides for the carriers to pick up the cost of the employe tax over that of the rate of Social Security. Also, railroad employes with 30 years or more of service can retire on July 1, 1974, with no actuarial reduction in pension.

The Railroad Retirement Law further provides that no later than April 1, 1974, representatives of employes, retirees, and representatives of the carriers shall submit to Congress a report containing their joint recommendations for restructuring the Railroad Retirement System which will assure the actuarial soundness of the system.

The law also requires the joint committee to hold negotiating sessions at least once a month and submit progress reports to Congress on September 1, 1973, November 1, 1973 and January 1, 1974.

Chamberlain noted that he and the others who serve on the Joint Labor - Management Committee have their work cut out for them during the coming months. However, he expressed confidence that a satisfactory resolution of the problems can be and will be reached within the time frame of the legislation.

The package deal that was agreed upon in connection with our retirement problem contained an additional increase in wages of 4 percent across-the-board for all of our members effective January 1, 1974, plus improvements in our health and welfare policy.

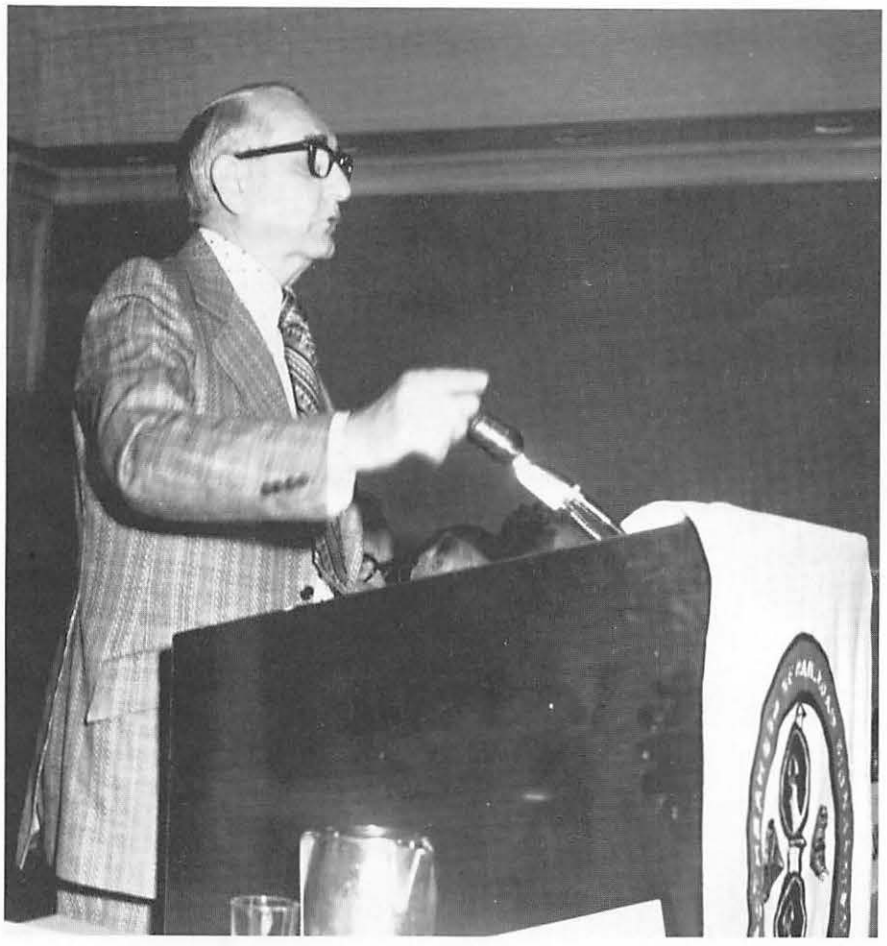
He told the delegates the agreement was for a short 18 month term and while it covered pensions, wages and fringe benefits, the other issues contained in our national Section 6 Notice will again be activated when the Grand Executive Council deems it appropriate.

In the interim, Chamberlain noted, our standing committee will meet with the carriers' committee to discuss those subjects which labor and management have agreed to discuss and explore.

He said the Brotherhood of Railroad Signalmen had placed high on railroad retirement problems, solvency of the system, reallocation of the Railroad Retirement Tax and required that we align forces with our sister organizations in achieving a satisfactory solution to such problems. He said, as a representative of our organization, he will continue to work on the problems with a labor-management committee during the next nine months in an effort to reach a permanent solution to our railroad retirement problems.

He told the convention that while we have made significant wage progress during the past three years, improved living conditions, in-

Mr. John W. Ingram, Administrator of the Federal Railroad Administration, told of the great strides the Department of Transportation and the FRA have made in improving railroad safety during the period from 1967, when D.O.T. was created, until the present time.



Mr. Al H. Chesser, President of the United Transportation Union, addressed the public session of the Convention and told of Railway Labor's efforts to have the right kind of legislation enacted that will make our bankrupt Northeast railroads a viable system.

creased away-from-home expenses on many properties, negotiated a national supplemental sick leave agreement, increased vacations and holidays, and improved our health and welfare plan, there still remains much to be done.

He said we must continue our efforts to obtain comparable outside industry wage rates for our skilled members in the United States and Canada, expand our job security agreements, secure a cost of living clause in future wage agreements, secure travel expenses, and improve our health and welfare plan with eye and dental care.

We must devote our full resources and expertise of our organization to revise and strengthen the R.S.&I. rules to conform to today's complex, sophisticated signal systems. And we must draft and have enacted uniform automatic grade crossing protective installations and maintenance standards and regulations.

Further, we must expand our activities on the legislative front at both the national and state level as it is evident that legislation can and does effect our national economy, our membership, and all railroad labor and we must be involved to insure that our Brotherhood's interests are protected and enhanced.

Chamberlain also spoke of the problems in connection with the Northeast Corridor's bankrupt railroads that have not been resolved. In connection with the application of our recently negotiated wage, pension and fringe benefit agreement, the bankrupt railroads did not join in the national handling, and we still have the problem of negotiating an agreement with those railroads. He cautioned the delegates to keep in mind that approximately one-third of our membership is employed on the bankrupt railroads.

We have assured our members on all of the bankrupt railroads that the full resources of our Brotherhood will be used to obtain equity for our members on these railroads. He also told the delegates of the litigation our organization is presently involved in seeking the application of wage adjustments due, and back pay, and how we will continue to vigorously pursue this until they are paid in accordance with the agreement terms.

Another matter President Chamberlain spoke of that concerns our organization is the sizeable number of short line railroads throughout the United States and Canada where signal work is being performed by other than Brotherhood of Railroad Signalmen forces. He noted we must concentrate on bringing these short line roads under our jurisdiction and said this will require the cooperation of the entire membership.

President Chamberlain also noted an unpopular subject was the merging of locals and general committees. But, he said, this need cannot be overemphasized. Such mergers would immediately strengthen the membership and its representation at local level, and it would materially reduce the cost of operation for the Grand Lodge and the general committee.

While such a subject is one which usually stimulates discussion and opposition whenever it is brought up, responsible leaders have an obligation to their constituency to tell it like it is and he stated he always believed in following that policy.

He stated that not all locals are functioning in accordance with the Constitution. In the Grand Executive Council's judgment, there is absolutely no justification for any local that is not operating in accordance with the Constitution holding a Charter.

Chamberlain warned that we cannot be wedded to the past, and we must adapt ourselves and our operations at all levels to the requirements of today.

He told the delegates all must commit themselves and pledge to do what is best for the Brotherhood of Railroad Signalmen.

He then noted we are in most unusual times. We see a political climate which has all the aspects of being anti-labor. We see a most confusing economic picture. A mockery has been made of Phase III, Chamberlain stated, and we do not know what Phase IV will hold in store for us. To get the economy back on the track will not be a pleasant job because so many errors have been committed. In addition to an uncertain economy, we still are encountering problems with enactment of legislation that would shackle labor unions. Organized la-

(Cont'd. on page 207)

Retirement Reminders

From the Office of R. T. Bates

SECRETARY-TREASURER

1973 Railroad Retirement Legislation

RECENT LEGISLATION, jointly recommended to Congress by railroad labor and management following wage-benefit negotiations, has effected significant changes in the railroad retirement system. The major provisions of this legislation which are of interest to employes provide for:

- a lowering of employe's railroad retirement tax rates to the level of social security tax rates;
- the elimination of the reduction for early retirement in the annuities of males retiring July 1, 1974, or later, at age 60 with 30 years of service. Under previous law, only female employes with 30 years of service could retire at age 60 without such reduction;
- the further extension of the temporary regular railroad retirement annuity increases of 1970, 1971 and 1972 to December 31, 1974;
- additional increases in the meantime as social security benefits are increased;
- the extension of early Medicare coverage on the basis of chronic kidney disease to individuals covered by the Railroad Retirement Act;
- liberalization of some survivor benefit eligibility requirements.

A joint labor-management standing committee will make further recommendations to Congress for additional legislation by April 1, 1974. Such addditional legislation was scheduled by Congress for the purpose of restructuring the railroad retirement system so as to insure its solvency in the future.

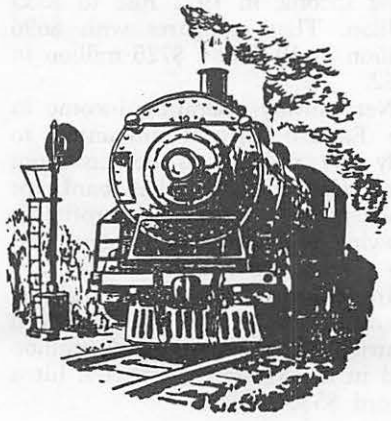
The following questions and answers illustrate the provisions of this legislation:

1. *Will railroad employers pay the difference between the former employe railroad retirement tax rate and the new reduced employe rate?*

Yes, while employe retirement taxes are reduced from 10.6 percent to 5.85 percent (the social security rate), the employer tax increases from 10.6 percent to 15.35 percent. These rates apply to earnings up to $900 per month in 1973 and $1,050 per month in 1974. For the vast majority of employees this change in tax rates is effective in October 1973.

2. *Will the provision eliminating the age reduction in annuities for male employes age 60 with 30 years of service apply to everyone?*

No, this amendment will only benefit those whose annuities begin after June 1974. It will not apply to reduced annuities beginning before July 1974 nor to employes who retire between ages 62 and 64 with less than 30 years of service.



3. *Does this provision have any effect on disability annuities or supplemental and wives' annuities?*

Annuities based on disability are not reduced, and an employe must still be age 65 before he can be eligible for a supplemental annuity or before his wife can be eligible for an annuity.

4. *Will the 15, 10 and 20 percent increases of 1970, 1971 and 1972 be made permanent after December 31, 1974, the date they were extended to?*

Congress has stipulated that the temporary annuity increases cannot be made permanent until legislation to improve the financial position of the railroad retirement system on a long range basis is enacted. Labor and management were instructed to continue negotiating mutual recommendations to this end for presentation to Congress by April 1, 1974.

5. *What if management and labor cannot agree to joint recommendations by April 1, 1974?*

If both parties cannot agree on joint recommendations by this deadline, they will each furnish a separate set of recommendations to Congress for consideration.

6. *How will increases in social security benefits provided before 1975 such as the 5.9 percent increase scheduled for June 1974, be "passed on" to railroad retirement annuitants?*

By law, such increases would be payable to railroad retirement annuitants from the same date social security increases are effective, with-

out any additional legislation. The railroad retirement increases would be paid to most employe annuitants in an amount equal to the dollar amount payable to a social security beneficiary with equivalent taxable earnings.

7. Would annuitants who also receive social security benefits be eligible for such railroad retirement increases?

Yes, and there will be no offsets or reductions in such "dollar for dollar" increases because of entitlement to social security benefits.

8. *Must an employe actually be receiving a railroad retirement annuity before he or his wife or child can qualify for early Medicare coverage if they become victims of chronic kidney disease?*

No, neither the employe nor his wife or dependent child need be an annuitant. However, the employe must meet certain minimum earnings or service requirements.

It is also required that the individual's physical condition necessitate hemodialysis or a kidney transplant. Coverage can begin with the third month after the month he or she begins a course of hemodialysis.

9. *How were the survivor annuity eligibility requirements changed for disabled children?*

Survivor annuities can now be paid on the basis of a disability which began before age 22, rather than age 18 as under previous law. Also, under the new law, children who have recovered from disabilities and stopped receiving benefits, but are again disabled within 7 years of their recovery, may again receive benefits even though the second disability begins after age 22. Annuities payable to young mothers on the basis of caring for a disabled child will consequently also be provided for some young wives and widows previously not eligible.

10. *Was the period in which a student could receive survivor benefits extended?*

Yes, survivor benefits for students age 18 to 22 may now be extended through the end of the school quarter or semester in which he attains age 22.

11. *Can a child's survivor benefit still be terminated by adoption?*

No, under previous law adoption by someone other than a close relative would terminate a child's benefits, but this restriction has been eliminated. Also, benefits can now be reinstated for most children whose benefits were terminated because of adoption in the past.

Optimistic About Future American Railroads

AMERICA's RAILROADS are on the upgrade, despite widely publicized problems of some major eastern carriers. That optimistic note sounds the theme of the latest "Yearbook of Railroad Facts," published by the Association of American Railroads.

The hopeful tone marks quite a change from the laments and complaints that often issued from the AAR in prior years. And the new yearbook's facts seem to justify this change. These facts are first, statistics of operations of the Class I railroads in 1972 and earlier years, and second, a summary review and outlook on the industry.

Class I railroads—68 in number—are the line-haul roads that do at least $5 million a year of railroad business. They account for 99 percent of the industry's traffic. Here are some points made in the new yearbook:

*Freight traffic of the Class I roads hit an all-time record of 778 billion ton-miles last year, up from 740 billion in 1971. This compares with 593 billion a decade before, in 1962.

During that decade, traffic in the Eastern District rose only from 220 billion to 231 billion ton-miles. But traffic in the Southern District soared from 96 billion to 149 billion ton-miles, and traffic in the Western District jumped from 277 billion to 398 billion ton-miles.

Total operating revenues of the Class I roads also reached a new peak of $13.4 billion last year. That compares with $12.7 billion in 1971 and $9.4 billion in 1962.

*As for profits, net railway operating income in 1972 rose to $835 million. That compares with $696 million in 1971 and $726 million in 1962.

Net railway operating income in the Eastern District amounted to only $47 million, as deficits from Penn Central and other bankrupt lines nearly offset the profitable showing of Norfolk & Western and the Chessie System.

In contrast, 1972 net railway operating income in the Southern District hit a record $258 million and in the Western District it hit a record $530 million.

*Net income—the carriers' net profits after all costs, including taxes—showed an even sharper contrast. For the nation as a whole, the carriers' ordinary net income rose to $500 million last year. This compares with $347 million in 1971 and $571 million in 1962.

But the Eastern District showed a deficit of $157 million in this figure last year. Southern District roads, however, earned a record ordinary net income of $208 million last year and Western District roads earned a near-record $449 million.

(For the first quarter of 1973, the Interstate Commerce Commission reports further earnings improvements by the nation's Class I railroads. Compared with the first quarter of 1972, their operating revenues rose 7.16 percent, their net railway operating income rose 15 percent, and their ordinary net income rose 40.9 percent.)

*As a measure of operating efficiency, the AAR reported that "the average serviceable freight car on the lines of Class I railroads in 1972 performed transportation service equivalent to moving one ton of freight a distance of 1,481 miles each day, an all-time high for this overall measure of freight car productivity and an increase of over 40 percent in 10 years."

The average freight carload also hit a new peak—56.5 tons—in 1972. But the average number of freight cars per train dropped somewhat to 67.1 cars, continuing the trend in recent years toward shorter but faster freights. Class I roads had 1,716,937 freight cars and 27,084 locomotives in service at the end of 1972.

*As for passenger operations, the Class I roads' passenger revenues—apart from payments from Amtrak—shrank further in 1972 to $257 million. Most of this came from commuters.

Passenger miles by the Class I roads in 1972 dropped to 5.4 billion, including 4.1 billion in commuter traffic. In addition, Amtrak and Auto-Train accounted for 3.2 billion passenger miles last year. This makes a total of 8.6 billion.

In 1971, passenger miles by the Class I roads stood at 6.9 billion, while Amtrak (which began May 1,

1971) accounted for about 2 billion—making a total of 8.9 billion. A decade ago, in 1962, there were 19.9 billion passenger miles recorded.

Railroads have long been acknowledged leaders in the business of moving from "here" to "there."

Now, a substantial effort is under way to help railroads move from "now" to "then"—from today to tomorrow.

Today's railroads continue to possess inherent advantages which give them a natural edge over their competitors in the transportation industry. That advantage will continue into the foreseeable future.

But the true measurement of a transportation mode is not whether it carries more than its competitors (railroads do—nearly twice as much as any one of them), but whether it is keeping pace with the demand for transportation service.

The "new look" in railroad research came about in 1970, when the emphasis was switched from product testing to research aimed at developing solutions to general problems of the industry—and to study the impact of these solutions on all the other elements of railroading.

Testing continues—much of it performed, as before, at the AAR's Technical Center in Chicago. But, even there, the research concept has taken on new importance. A measure of that importance is a tripling of the budget of the AAR's Research and Test Department over the past three years.

The railroad effort is being augmented and amplified by cooperation with others—with suppliers, with labor unions and with government agencies. This cooperation has resulted in a total program making available more than double the funds in the AAR budget.

Suppliers, individual railroads and the government are all, of course, conducting research efforts on their own.

The present objectives of the Research and Test Department of the Association of American Railroads are threefold—to increase the efficiency and thus the financial strength of the railroads, to provide cost-effective appproaches to safety requirements and to develop feasible, cost-effective responses to environmental requirements.

Objectives such as these require a thoroughgoing understanding of what happens in railroading. But the urgency of the need for concrete answers to developing transportation needs does not permit leisurely programs of study.

Thus, the Research and Test Department has developed a mix of programs, which can yield specific answers to immediate questions, while attacking the long-range problems as a basis for future developments.

UNION LABEL PLEDGE

I am a Union worker and I shall not undermine the welfare of my fellow brothers and sisters. Across these United States man labored too long and too hard for me to destroy their gains by purchasing non-union.

I am a Union family man who has been blessed with a decent living. I have come to enjoy better things because of the devotion, dedication and the desire of those before me who labored to provide a standard of living unparalled in the world. I shall not destroy all their efforts and render helpless all the causes they so earnestly fought to win for workers.

I am a Trade Unionist and refuse to reward those who have opposed my existence and way of life. I will not permit my union-earned dollars to penetrate the walls of those establishments where a union card is the same as a "No Vacancy" or a "Not Welcome" sign! As a man who believes in the dignity and rights of men, before I buy I shall look for the Union Label, Shop Card, Store Card or Service Button. In so doing I will strengthen the security of men nnd women who believe as I in the goals of the free American Labor Movement.

I am a member of organized labor and will never forget I would not be able to purchase the amount of products I do without a union job and, therefore, common sense and a deep commitment to the ideals of our movement demand I purchase those products which will further our cause.

I will support my fellow brothers and sisters by using a simple tool—the Label Golden Rule—"Buy Union Products and Use Union Services as You Would Have Union Wages Paid Unto You!"

Your Letters May Make the Difference!

One of the key ingredients for victory in the campaign for pension reform is making sure your Senators and Congressman know that all railroad workers are united behind rail labor's program to restructure the Railroad Retirement System.

Lawmakers need to know where YOU stand on this issue and only YOU can tell them through your letters.

Here are some tips to remember when writing:

Address your state's two Senators at the Senate Office Building, Washington, D.C. 20510—Dear Senator .....

Address your Representative at the House Office Building, Washington, D.C. 20515—Dear Representative .....

Write legibly or type your letters. Be sure to sign your name and include your address.

Express your thoughts and opinions in your own words. Hundreds of identical letters are simply not as effective. Be brief and to the point.

Be polite and reasonable. Complaining distracts from the point you are trying to make.

YOUR WASHINGTON Reporter

By R. E. Porter

CONGRESS HAS CONTINued to move ahead on measures to stave off liquidation of bankrupt Northeast railroads, to secure more rolling stock for the carriers nationally, and to provide more funds for Amtrak so that it will not cancel any existing passenger runs. Among recent developments on those fronts were the following:

Northeast Railroads

By a healthy margin of 59 to 30, the Senate approved a bill offered by Sen. Vance Hartke (D., Ind.), chairman of the Senate Surface Transportation subcommittee, which would make a $210 million emergency fund available for bankrupt roads.

Under the bill, the Department of Transportation would be authorized to use the fund to finance arrangements with the Penn Central and other bankrupt roads to keep in operation essential freight and passenger services which might otherwise close down under court-okayed liquidation.

Hartke estimated that this money would be sufficient to keep alive threatened rail services for up to 15 months while Congress works out a long-range plan for restructuring the bankrupt carriers.

The Indianan said the measure would "infuse into the ailing Northeast and Midwest rail system just enough blood to keep the system from dying while a cure is researched and then applied."

Earlier, the Senate Commerce Committee approved a comprehensive bill by Hartke known as the "Midwest & Northeast Rail System Development Act." This would establish a rail emergency office in the Interstate Commerce Commission to oversee basic restructuring of bankrupt roads in the area.

This emergency division would report its findings and recommendations at stated intervals. Within 11 months it would present its final plan for a restructured system, and the ICC itself would make complete recommendations a month later. Congress would then proceed to consider and act on the plan.

The DOT would have a voice in the formulation of the plan, but not a final say. Leaders of Congress have refused to give the DOT authority to do the restructuring because of that agency's position in favor of drastic slashing of the bankrupt lines into a skeleton system, regardless of the severe impact on hundreds of communities and shippers, and on the workers involved.

Also, the Hartke bill would establish a 15-man advisory council representing all interests concerned, including rail labor. This council would work with the ICC division, but could also draft its own recommendations for dealing with the problem of the bankrupt roads.

In addition, the bill provides for a 120-day moratorium on all rail abandonments, and directs the ICC to report to Congress within 90 days on the environmental and other effects of abandonments on a state-by-state basis.

Further, the measure specifies that the Senate and House Commerce Committees, after they get the ICC recommendations, shall report to Congress within 60 days on final plans for the rail restructuring. These deadlines will expedite action, Hartke said.

Also, he warned against a threatened Administration veto of such legislation. Such a veto, he declared, would leave "nationalization as our only recourse," in order to prevent any widespread rail shutdown.

Previously the DOT sought to win support for the Administration's plan to "cannibalize" the Northeast rail network by proposing $85 million in interim federal financial aid to six bankrupt lines while they're being reorganized. This was viewed in Congress as "too little and too late."

Meantime, the House Interstate Commerce Committee, at this writing, was still at work on its version of legislation to aid and restructure the N. E. railroads. As the framework for its drafting, the committee chose to use the bill of Rep. Dick Shoup (R., Mont.). That measure would establish a Federal National Railway Association to monitor and finance the restructuring of the N.E. lines.

* * *

Amtrack

Cessation of service on a number of Amtrak passenger lines in the current fiscal year appeared averted by action of Congress and the ICC.

Congress approved $102 million for Amtrak's operating costs in the fiscal year which started July 1. This was substantially more than the $93 million recommended by the Administration.

The increase above the $93 million budget request was designed to continue operation of Amtrak trains on the New York-Kansas City and Chicago-Florida routes. Amtrak had planned to discontinue those runs as of August 2, plus another between Richmond and Newport News, Va., because of losses said to aggregate nearly $14 million. Leaders in Congress said they would entertain an Amtrak request for additional funds, if needed, to keep the trains running.

Earlier, the ICC staved off the scheduled Amtrack train discontinuances by ordering a full investigation, and a delay in the train abandonments, at least until December 2 pending completion of the investigation.

* * *

Rolling Stock

By 80 to 6 the Senate passed a "Rolling Stock Utilization and Financing Act" designed to overcome the chronic freight car shortage.

The measure provides for $2 billion in federal loan guarantees to railroads for acquisition of new freight cars, other equipment and facilities. It also sets up machinery for improving the utilization of the present supply of freight cars.

Further, the bill specifies that if

within three years the railroads fail to take advantage of the loan fund to expand their fleet of cars adequately, then a federal corporation would be created to build up a needed pool of such cars. However, decisions of the corporation would be subject to further congressional sanction.

Hartke voiced confidence that the bill "can solve the freight car shortage through cooperation of government and the private sector." He said the measure constitutes "the most far-reaching assault on the freight car problem" ever considered by the Senate.

Sen. James Pearson (R., Kans.) seconded Hartke's view and declared that the legislation would give the railroads an opportunity to "improve service and become more efficient."

Also, Sen. Warren Magnuson (D., Wash.), chairman of the Senate Commerce Committee, asserted that existing car shortages have done serious harm to shippers and consumers. He said the legislation provides the means for dealing with the problem effectively.

At this writing, the House was still to act on the rolling stock legislation.

Carriers Asks ICC For Rate Increase

The nation's railroads asked the Interstate Commerce Commission to permit, under a recent act of Congress, expedited freight rate increases to offset scheduled hikes in the industry's railroad retirement tax obligations.

The rate increases sought would amount to 2 percent effective October 1, 1973, which would be replaced by 2.7 percent on January 1, 1974.

A recent agreement with major railroad unions committed the railroads to assume the portion of railroad retirement taxes—formerly paid by the employe—which is in excess of the amount that would be paid under Social Security.

An Act of Congress was required for implementation of the changes in the Railroad Retirement Act provided in the agreement, and the same act provided for the expedited action by the ICC on a railroad for rate increases to offset the increased costs.

It is estimated that new railroad retirement obligations will increase the industry's costs by $64 million during the fourth quarter of 1973 and by $355 million during 1974, after a further railroad retirement tax increase goes into effect on January 1.

The railroad petition noted that Congress had intended that the offsetting rate increases be permitted to take effect upon the same dates as the increases in retirement tax obligations.

"There should be no time lag between the incidence of this increase in retirement tax expenses and the effectiveness of the rate increases," the petition warned. "For each day of delay in the implementation of this proposal on and after October 1, the cost to the railroads would be $700,000. The suggested timing of the rate relief is, therefore, of great importance to the industry."

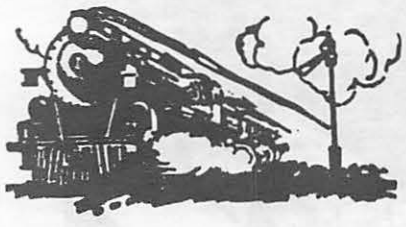
The railroads told the Commission that they will promptly seek to have the same increases made effective upon intrastate traffic and "hopefully, with the same effective date."

The railroad petition pointed out that the carriers do not have any feasible avenue to offset such increases in expenses except a rate increase.

"Expenses cannot be cut without adversely affecting service and maintenance standards," the ICC was told. "Productivity cannot be depended upon to absorb these increases in expenses because any increases in net revenue resulting from increased productivity due to greater traffic volume and improved efficiency have already been consumed, and more than consumed, by the massive increases in cost levels already sustained."

Furthermore, the railroads stated, net revenues resulted from traffic growth or efficiency gains are desperately needed to sustain capital programs.

"Use of productivity gains to offset increased costs would be appropriate," the petition stated, "only if the earnings of the industry were on a fair, reasonable and adequate level, and they are far below such level."



Rail Unions Launch Move Toward Reunification

A SIGNIFICANT MOVE TOward unity has been taken by the nation's rail unions. At a joint meeting recently of leaders of unions affiliated with the Congress of Railway Unions and the Railway Labor Executives' Association, a unanimous decision was made to set up a joint committee to study reunification of the two central organizations.

A motion for creation of such committee was made by President C. L. Dennis of the Railway and Airline Clerks. Under the motion, Chairmen Al H. Chesser of the CRU and C. J. Chamberlain of the RLEA are to name equal numbers of members to the study committee, which would work out a proposed plan for reuniting the two bodies.

The CRU was created in December 1969 by several major rail unions which broke away from the RLEA.

The unity motion came at a meeting of the "Cooperating Railway Labor Organizations," the group set up to deal jointly with matters arising under the health-welfare plans on the railroads administered by the Travelers Insurance Co.

The meeting was called primarily to agree upon a successor to G. E. Leighty, who had served as chairman until his death in July. Fred A. Hardin, a vice president of the United Transportation Union and a veteran negotiator with the railroads, was chosen to succeed Leighty. Also, President James Yost of the AFL-CIO Railway Employes' Department was named vice chairman of the cooperating group.

In addition, the meeting elected President Harold C. Crotty of the Maintenance of Way Employes as chairman of a committee to handle remaining litigation involving the Florida East Coast Railway.

Cash for Green Stamps

S&H will pay $2 per book of 1,200 green stamps to consumers who choose cash over merchandise, as a result of a Federal Trade Commission action.

WORLD'S TALLEST BUILDING TOPPED OUT

■ Chicago's dramatic new 110-story Sears Tower—reaching sky ward at an incredible 1,454 feet—is not only the world's tallest building, but according to many persons one of the most beautiful.

Hailed by Chicago Mayor Richard J. Daley as "a great contribution to the City of Chicago and to the world," the Sears Tower is 100 feet higher than the twin towers of New York's World Trade Center—formerly the highest buildings in the world. In fact, three of the five tallest buildings in the world now adorn the Windy City's skyline. But the Sears Tower is the giant, towering 318 feet higher than the Standard Oil Building and 347 feet higher than the John Hancock Center. When 350-foot TV antennas are erected atop the Sears Tower, it will stand more than 1800 feet high.

It has been nearly three years since the site in downtown Chicago was cleared for the full city block of construction. In July, 1970 workmen began clearing the site, rebuilding sewer lines, moving water lines and power cables and preparing the foundation work.

Support work for the 222,500-ton building began in September, 1970, as iron workers moved onto the excavation site to begin erecting the structural steel framework. Total weight of the structural steel erected in the Tower eventually totaled 76,000 tons—enough steel to produce 52,000 automobiles.

Tremendous weight of the building required 114 rock caissons for support. Each of the caissons is as deep as the Statute of Liberty is tall.

The Tower's 225-foot square base contains nine 75-foot square cells. Two of these cells end at the 50th floor; two more at the 66th floor; and only two extend above the 90th floor to the roof. In total, iron workers erected some 3.5 million square feet of metal decking, 700,000 shear connectors, and 170,000 linear feet of interior and exterior metal concrete stops. There are 4,400,000 square feet of floor space in the building, 650,000 high strength bolts and 100,000 pounds of field weld.

A crawler crane was used to erect structural steel from the ground level to the fourth floor, then four

from the fourth to the 90th floor. From the 90th floor to the very top, a single guy derrick finished the lifting work.

Plans call for a 103rd floor observatory, which may open as early as October. Two express elevators —traveling 1,800 feet per minute— will whisk visitors up to the deck in 45 seconds. Also in the building specs are 40-inch-high railings along the windows so that people will have something to hold onto if they suffer from acrophobia (fear of heights).

An estimated 16,500 persons— 7,000 of them Sears employes— will occupy the building which will house 8,000 tenants and 1,500 commercial, public or building service personnel.

Building materials used in the construction include: 80 miles of elevator cable; 16,000 tons of air conditioning; 145,000 light fixtures; 1,500 miles of electrical wiring; and more than 16,000 windows, all of them 5 by 8 feet.

As one construction engineer summed it up: "You know, a strange feeling comes over you, up there on the highest floors of the Tower. It's a thrill to see Chicago from new heights. But the most fantastic thing to me is seeing an actual structure rise from what was once only an idea."

VETERANS BURIAL ALLOWANCE HIKED

Next-of-kin of honorably discharged veterans of the U.S. armed services may now receive more money from the Veterans Administration to cover burial expenses than the previous legal maximum of $250.

Under terms of the National Cemetery Act signed by President Nixon June 18 veterans who have died since Aug. 1 or do so hereafter are entitled to an additional VA plot or interment allowance of up to $150.

The money, a VA spokesman said, is paid to survivors of any veteran not buried in a national cemetery, but only to the extent of the cost of the private plot and not exceeding $150. A $50 plot, for example, will bring a $50 allowance, or a $300 total.

Beginning Sept. 1, the act provides for payment of funeral expenses of up to $800 for veterans who die of service-connected causes, the total including the current $250 allowance, a spokesman said.

PC's New Connection With P&LE Speeds Service

PHILADELPHIA — A NEW half-mile long track connection between the Penn Central and Pittsburgh and Lake Erie railroads at New Castle, Pa., is enabling Penn Central Transportation Company to provide faster and more reliable service to shippers over a three-state area, J. Bruce Addington, vice president - operation, reported last month.

The connection, between paralleling PCTC and P&LE tracks in the Mahoningtown section of New Castle, Addington said, permits Penn Central trains to and from its Conway Yard near Pittsburgh to operate over P&LE tracks and utilize facilities of the automated Gateway Yard at Youngstown.

"We now can operate on both sides of the Mahoning River between New Castle and Youngstown," Addington said, "giving us flexibility needed in the congested Youngstown area. By using the P&LE tracks we bypass the many time-consuming railroad crossings in the Youngstown area.

"This route provides better connections for traffic for the Youngstown-Niles area and better access through Youngstown for Cleveland, Ashtabula and Buffalo traffic."

Addington said new trains have been established to serve the Youngstown-Niles-Sharon area and Great Lakes cities between Buffalo and Cleveland.

"With the greater utilization of Gateway Yard," Addington said, "Haselton Yard of Penn Central will be primarily a local yard which will be able to serve Youngstown area industries more efficienty."

HELP ! !

The Amtrak legislation, H.R. 8351, will be on the agenda for floor action by the House of Representatives shortly after Congress returns to session in September. This bill would:

1. **Increase Amtrak funding (including monies to guarantee continuation of the Floridian and the National Limited.**
2. **Increase Amtrak loan guarantees for capital equipment.**
3. **Require appointment of three consumer representatives on the board, on a bi-partisan basis.**
4. **Limit Amtrak compensation to railroads to incremental costs, other than incentive payments for high quality service.**
5. **Require railroads to give priority to passenger service over freight trains.**
6. **Require railroads to allow Amtrak trains to operate at maximum feasible speeds.**
7. **Allow auto-train and other non-Amtrak carriers to initiate new auto-on-train service.**

This is good legislation. Your support is needed to get it adopted. Contact your Congressman, and urge his affirmative vote for H.R. 8351. Do it today, because TIME IS OF THE ESSENCE!

...Phase 4: What it Means

ENTER NOW Phase 4 of the Administration's economic game plan to curb inflation. While American consumers can expect financial relief in a few isolated instances, those looking beyond the mumbo-jumbo of confusing economic jargon are preparing for the worse: The price of just about everything—particularly food—is going up, up, up. . . .

Phase 4 is really an "unfreeze" of sorts. By gradually thawing out all prices, the Administration's economists hope that big price increases will lessen the danger of severe product shortages. The theory, in essence, is that by allowing food and other commodity prices to rise, supplies will become more plentiful, resulting in lower prices a year from now.

The reason most commonly offered as to why corporate profits have been permitted to rise dramatically is that companies must have money for investment in new plants and equipment. With new plants in operation, more jobs supposedly can be made available and rate of unemployment could be driven down. There appears, at last, to have been some success in finding jobs for more Americans. For the first time in more than three years, the nation's unemployment in June dropped below 5 percent, and in July it was down to a still-high 4.7 percent.

Controls Removed

Now, through a series of Phase 4 thawing-out "stages," all previous price controls established under the various phase programs will be removed before September 12. With food prices the first to be taken out of the economic freezer—with the one exception of beef—workers and their families are being caught in an even tougher dollar crunch than before Phase 4. Even President Nixon, in announcing the new measures, said, "There is no way, with or without controls, to prevent a substantial rise in food prices." Herbert Stein, chairman of the President's Council of Economic Advisers, agreed: "We are going through a period of several months where prices —food prices—will be rising rapidly. A year from now, however, we will find food prices rising relatively little and all prices behaving well."

In the interim, the overall cost of living continues its upward climb at an "abnormally high" rate, reports the Bureau of Labor Statistics (BLS). In the first six months of this year, the cost of living rose an incredible 8 percent. That means that workers' financial expenses last year already have increased by 8 percent in 1973. And, by all indications, the second half of 1973 will cost even more.

Another indication of how hard it is becoming to "just get by," lies in considering so-called "economic indicators." One such indicator—the buying power of working peoples' after-tax earnings—is distressing. Statistics show that for the sixth straight month, the ability of the worker to stretch his dollar to meet basic needs has appreciably declined. For example, while a worker may be earning $10 more per week, the cost of living may be up, say, the equivalent of $13 a week. Therefore, while he gets paid a little more, the worker's salary still isn't adequate to offset rising costs.

"Housewives, consumers, and workers don't need official statistics of bad news to know that

to You and Your Family...

their standard of living has once again been devalued," AFL-CIO President George Meany said. "Every time they go to a store or pay their rent they know these are bad times."

Take food, for example. In most American households more than 25 percent of the family budget is for food. And now, our biggest headache for some time will be finding new means for feeding growing families as food prices continue to march higher. Family budgets have been destroyed. Consumers are beginning to hoard everything from peanut butter to watermelons to beef. (One shopper bought 100 cans of tuna one day and returned the next day to buy 100 more). The prospects for the future look grim.

While almost all grocery store prices are rising, the biggest increases will come in beef and other meats. When the ceiling is lifted on beef prices on or before September 12, those prices immediately will jump to record levels. In expectation of higher prices, shoppers already have begun to clean out store freezer sections, not only of beef, but chicken, bacon, pork, bologna, and so on. Record sales also have been reported by refrigerator and home freezer manufacturers who are catering to consumers who are stocking up on meats.

What has caused the shortage? Why are prices so high if we are, indeed, the world's most productive industrial and agricultural nation? To begin with, food is a demand product — meaning that it is required by all Americans. While workers can do without boats and home improvements, no one can go long without food. By its very demand factor, then, food prices are destined to climb.

Grain Shortage

There are other reasons, too, for increased prices. The Department of Agriculture blames the "tremendous world demand" for feed grains as a factor in the high costs of foods, particularly in meats. Usually, there is more than enough grain produced in America to meet our needs with enough left over for export. But such is not the case this year.

Farmers, unable to harvest grain during Mother Nature's abnormally-high rainfall last season, had to let some grain rot in the fields. Much of what was salvaged went into seed companies in order that this year's crops be planted. With such staple feed crops as soybeans in severe shortage, farmers had to pay more for what limited amounts of animal feeds they could get. While controls were clamped on most of the economy, raw agricultural products were permitted to rise unchecked.

As farmers' costs of feeding cattle, hogs, sheep, and chickens rose, increased costs had to be passed along—in most cases to the packing houses. From there, packing houses demanded more money from wholesalers, and eventually, the consumer picked up the final bill. The proverbial buck had been passed as far as possible.

Now, some cattlemen and meatpackers are holding their products off the market until beef prices are lifted and they can pass along dollar-for-dollar price increases. For example, if a product costing $10 had been sold previously for $15, a cost increase to $11 would permit a price rise to $16. In the mean-

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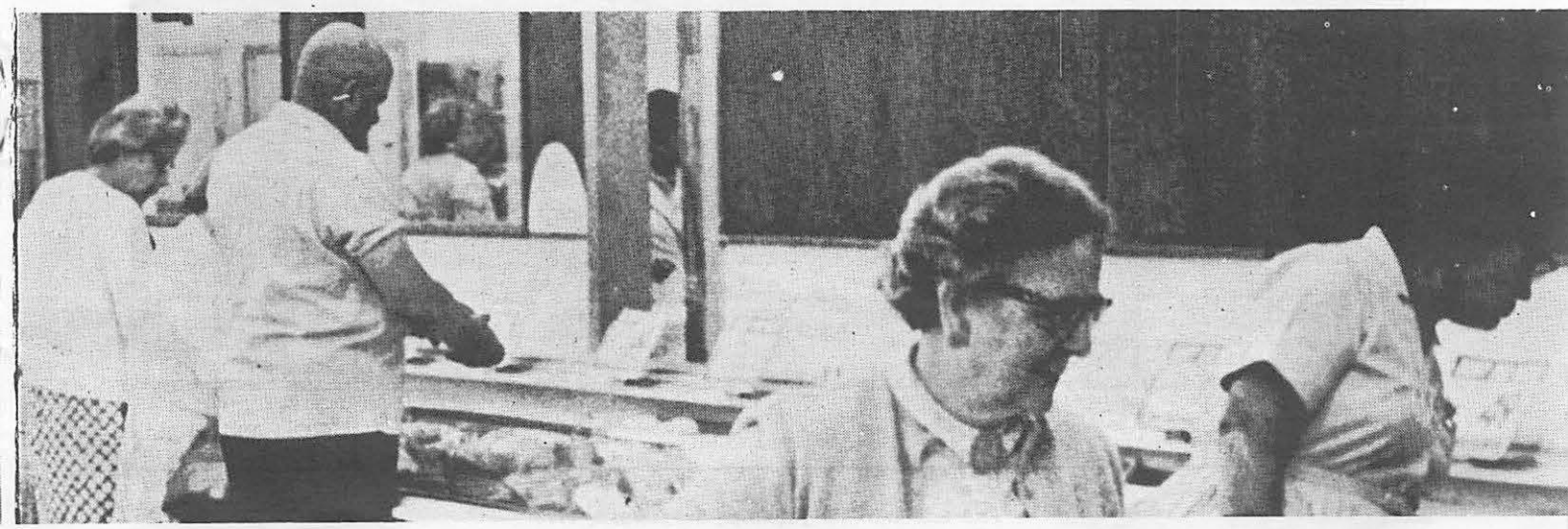

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time, farmers hold onto their herds, baby chicks are drowned by farmers who can't afford to feed them, and packing houses continue to lay off union meat cutters.

Not only is the market inactivity improving the chances of shortages of meat, but "black markets" already have begun to appear in the industry. That means, simply, that for the person willing to pay the price for beef — even though above government restrictions—there will be beef available. Some meat markets also are passing along increased beef prices to consumers, an action specifically forbidden by the Cost of Living Council.

Cattle Rustlers?

Canadian wholesalers, to illustrate the problem further, have been buying American beef, slaughtering it in Canada, and selling it back to the U.S. which has no import price restrictions. In the Midwest, bands of cattle rustlers have begun midnight raids on beef herds, oftentimes slaughtering the animals right in the fields.

Some Western cattle ranchers are even selling beef to Japan, because "Japan will pay the price we have to have for our animals." Japan, in turn, sells the beef for upwards of $43 a pound on Japanese markets. Even the White House meat distributor has cut off deliveries of steak meats "until controls are relaxed or lifted." The White House's reaction: "Like everyone else, we're buying where we can."

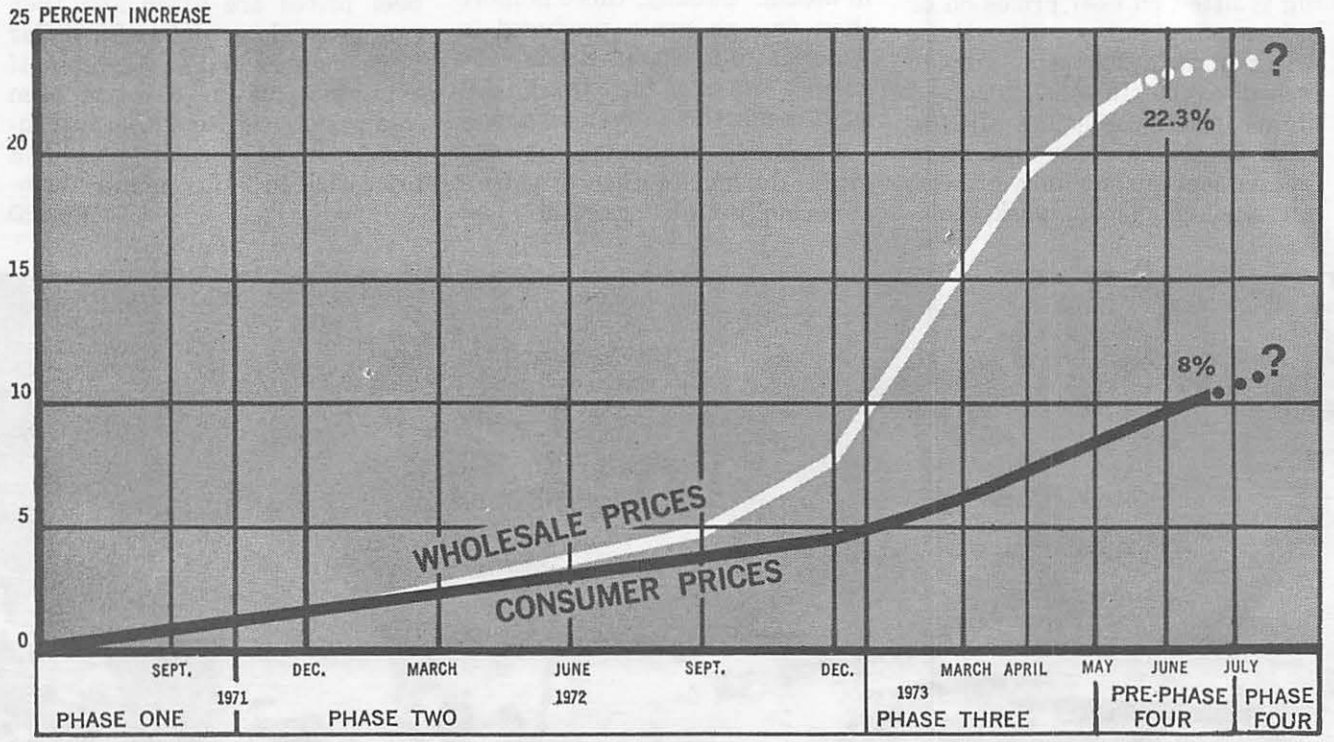
Government statistics show that for a family of four to wage a moderate standard of living, total income must be around $12,500 a year, including taxes. That figure — the highest ever posted—compared with the average 1972 family income of $11,116. It doesn't take a doctorate in economics to put two and two together and wonder how long American workers can afford to battle inflation alone.

In order for the worker to get by, he must be willing to re-educate himself with regard to his spending habits, budgeting of family income, and to some degree, the type of life he has been leading. For many households that will mean fewer items on the dinner table, vacations not so far away from home, and restricted entertainment and hobby budgets.

As serious as food prices alone are, many other items in the day-to-day lives of workers will be affected. More and more workers, for example are finding the cost of home ownership to be a luxury. The cost of the average new house stands at about $34,100—up a whopping 34 percent over just five years ago.

If you're planning home improvements, you'd best be advised of the situation there, too. Over the past five years, the Labor Department says, the cost of painting a room has gone up 57 percent; sewage bills up 38 percent; repairing a furnace up 47 percent, and so on down the line.

Should you decide to go ahead with home improvements or buy a boat, you might be in for a shock if you apply for a loan at the bank. Banks in some parts of the country have raised their interest rates to almost usurious levels. Home mortgage money is drying up. Other bankers are beginning to turn away prospective customers because they simply don't have the money to lend. And as the American dollar con-



tinues its devaluation cycle on the international monetary market, this "tight money" situation could worsen.

Confidence is reported so low for the American dollar, that some persons are dropping vacation plans to invest in gold and silver, antiques, jewelry, and other items which traditionally hold or increase their value. For those of us who continue with vacation plans, still another inconvenience will be felt. While fuel prices are supposed to be rolled back somewhat, taxi, airplane and bus fares are headed upward, as are most auto repairs and parking fees.

Other Increases

As America's children prepare to return to school this fall, parents will find that prices for many clothing items have risen considerably. As if higher family clothing costs aren't enough to contend with, the price of personal care, children's entertainment, and on down the line will rise. Sending Johnny and Sue to school and then through after-school activities—band instruments, track shoes, movies —simply will cost more this year.

Apartment and housing rents —now uncontrolled—are expected to climb, while new housing starts, hampered by rising lumber costs among other things, will be fewer. Furniture, carpeting, and home care products also are becoming more expensive.

Of a considerably discouraging note is the fact that the nation's leading economists cannot agree as to how to get us out of the economic mess. Some favor strict wage-price controls, others avoid them like the plague, still others are openly pessimistic: "It is conceivable that there aren't any adequate solutions (to inflation) with the economy in the state it's in."

What can be expected, to be sure, is continuing price increases in virtually everything manufactured, processed, and produced in the United States. Not only will family budgets be affected, but state and local budget appropriations, and national spending policies all will feel the burden of inflation.

Will increased salaries help Americans offset the rising prices? Don't count on it. Voluntary wage restrictions permitting only 5.5 percent increases in annual rates of pay will remain in effect. Latest figures from the Labor Department note that 1973 wage increases have fallen even below those of last year. Yet, prices continue to soar. And large companies post record profits daily.

The President's Council of Economic Advisers recently predicted that there will be "a strong tendency to higher prices" of unknown size and duration once the current price freeze is lifted. The only hope the Council could offer consumers worried about soaring prices was that the new Phase 4 controls would work "to slow them down and reduce somewhat their ultimate dimension."

For the American worker to see his family though this crisis, he's going to have to bend with the storm. Eating habits will have to change, free-and-easy spending must end, and motorists will have to decide if the trip they're planning is absolutely necessary.

Has our nation of plenty temporarily become a nation of want? It's going to take some time before we know the answer to that question. In the meantime, the only short-term advice to the working family is to plan ahead and carefully budget every dollar . . . and stretch even those pennies wherever you can.

The 'Phase' Program: Freeze to Thaw

Thus far, the Administration's economic stabilization program has moved in several distinct directions or "phases." In order to permit Phase 4 to be compared with the earlier wage-price controls and freezes, summaries of the entire phase program are printed here:

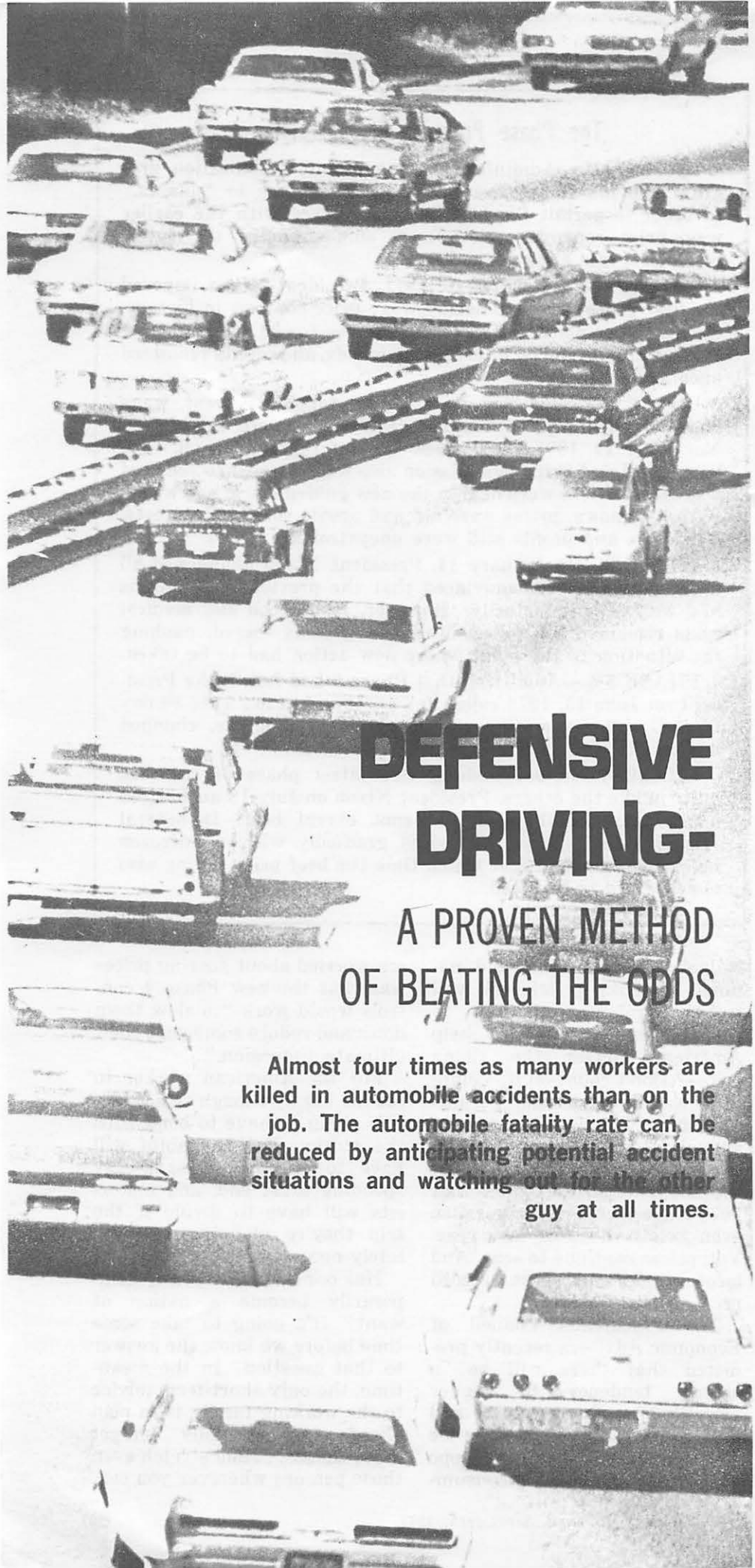
PHASE 1—On August 15, 1971, President Nixon imposed the first peace-time mandatory wage-price controls in history. Ceilings were placed on wages and prices for 90 days, but raw agricultural products, interests, dividends, and profits remained uncontrolled.

PHASE 2—New guidelines calling for 5.5 percent wage and 2.5 percent price increase restrictions were established November 14, 1971, by the new Cost of Living Council. The Pay Board and Price Commission also were formed to see that wages and prices were held to the new guidelines. While wages were held down, prices were not and profits soared. Interests, dividends, and profits still were uncontrolled.

PHASE 3—On January 11, President Nixon abandoned all mandatory controls, convinced that the previous restrictions had worked satisfactorily. However, while food and medical costs remained controlled, other living costs soared, pushing the situation to the point where new action had to be taken.

PHASE 3½—Admitting that Phase 3 had failed, the President on June 13, 1973 called for another freeze. This 60-day freeze, while exempting raw agricultural products, clamped lids on all retail prices.

PHASE 4—In establishing this latest phase of controls, quite unlike the others, President Nixon on July 18 authorized a gradual price thaw of all items, except beef. In several "thawing-out" stages, all prices gradually will be unfrozen before September 12, at which time the beef price ceiling also is scheduled to be lifted.



DEFENSIVE DRIVING-

A PROVEN METHOD OF BEATING THE ODDS

Almost four times as many workers are killed in automobile accidents than on the job. The automobile fatality rate can be reduced by anticipating potential accident situations and watching out for the other guy at all times.

■ Those of us in organized labor share in many common goals. By working and learning together we succeed together. Through a concerted effort by millions of workers, our safety consciousness has helped prevent countless on-the-job accidents and deaths. Perhaps we now can turn this same dedication to helping control the biggest accidental killer of them all—the automobile.

Almost four times as many people are killed in auto accidents—many of them travelling to and from work—than on the job site. Of the 115,000 persons killed in 1971, for example, nearly half died in motor vehicle collisions. Comparatively, 14,200 lost their lives in work-related accidents. And sadly, while work-related injuries and deaths appear to be on the decrease, the number of persons killed on our highways rises every year.

Curiously, public concern about the problem of traffic safety has not been too great, or so it seems. One possible reason is that society has come to accept transportation by the automobile as both a convenience and a necessary evil. Most of us are heavily dependent upon that vehicle; some persons to the degree that it affects their very livelihood. In a National Safety Council study of the 54,700 persons killed in auto accidents in 1971, several died in their own neighborhoods, on roads they had traveled many times commuting to and from work.

"Dead Right"

We've all heard the expression about being "dead right." Proponents of defensive driving stress that even by following all the highway traffic rules to the letter you can still get killed. The real key to defensive driving is learning how to handle your vehicle so that no matter what foolish tricks another driver may pull, you can still have control of the situation and avoid a collision.

Sometimes control of the situation means that you will have to let the other driver have the right-of-way, whether he is right or wrong. If survival is the key—and it is—it's better to be a live coward than a crippled hero. There's no traffic rule in the book that is going to help you handle a potentially hazardous situation if the other driver is determined to break all those rules. Each situation, then, will require split-second decisions on your part to survive. Don't count on any help from the other guy.

Defensive driving is watching out for the other guy at all times. Seeing a possible accident situation in time to take evasive action is the key here. As you drive along, take in the whole traffic picture ahead with eyes

and ears. Watch not only straight ahead, but to the sides from where cars or pedestrians may come into your path.

To be a good defensive driver, you must not only see and be seen, but you should first develop the right attitude. For example, if another driver were to cut in front of you, you shouldn't respond by cutting in front of him, blowing your horn, or running up behind him and slamming on your brakes. If you're a good driver, your alert attitude would have clued you to expect this situation and how to handle it to avoid a collision. In essence, you must be forgiving of the mistakes of others to avoid dangerous situations.

Some Basic Tips

Here are a few tips to help you, other drivers and pedestrians watch out for one another:

- Keep all signaling lights in first-class usuable condition and make use of them.
- Use lower beam headlights, not parking lights, during dusk and dawn.
- Use reflective materials on door edges and bumpers to increase visibility at night.
- Get into the proper lane well in advance of a turn.
- Use correct signals in advance of intention to turn.
- Flash brake lights to warn following driver of intention to stop.
- Sound horn when necessary to warn other drivers or pedestrians of your presence.

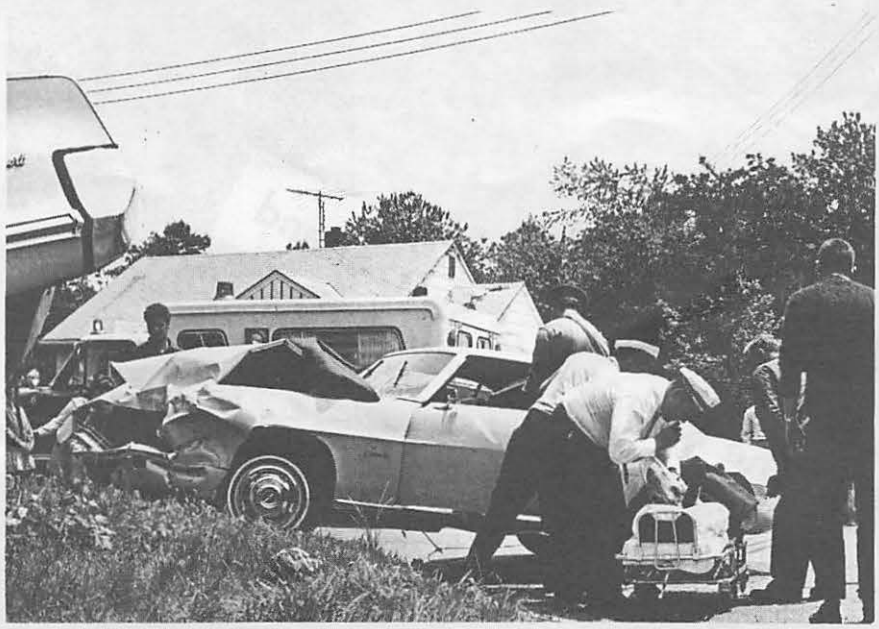
One of the leading practitioners of defensive driving is Bob Bondurant of the School of High Performance Driving at the Ontario Motor Speedway. He contends that most drivers' biggest problem is daydreaming. "If you are concentrating on your driving," Bondurant says, "you are driving far ahead so that you can see and anticipate when the traffic begins to slow. You'd be off the brake and you'd know where the openings in other traffic lanes are."

Don't Do This

Since braking and steering are the two most common reactions to avoiding accidents, Bondurant urges motorists never to slam on their brakes. That only locks the wheels, turning the car into an unmanageable skid, whereas controlled braking prevent skids. Steering can be affected to a great degree by tire pressure. "Whenever your car starts feeling mushy on the road, check the air in the tires," Bondurant suggests. "If you have one low tire and must do an average maneuver, it can cause you to lose control."

In the 1971 study of traffic deaths, it was learned that 13,700 persons died when their vehicles collided with fixed objects other than vehicles, overturned, or ran off the roadway. In several instances these accidents were traced to drivers who saw traffic signs too late.

Nearly four times as many people are killed in automobile accidents each year than workers killed on the job. Learning to drive defensively can help turn the tide.



All the safety features of automobiles and highway design, however, cannot replace a conscientious attitude on the part of the driver. More persons should learn to drive defensively and to accept more responsibility behind the wheel of an automobile. Too often, as the statistics report, an automobile is only a deadly missile pointed in a given direction with little or no control over its actions.

Actual Cases

The American Automobile Association has long been a proponent of defensive driving. Here are a few cases from AAA where the other driver was at fault, but you could have avoided the accident. How would you have reacted?

1. The light turns green you start across and are hit by a driver going through the red. Even though you have the green light, make sure the cross traffic is stopping before you proceed.

2. In heavy traffic you make a sudden stop and are hit by a following car. Avoid the necessity of a sudden stop by allowing more following distance. Watch two or three cars ahead to get an early warning of trouble in the making.

3. You strike the car ahead because it makes an unexpected sudden stop. You could have avoided this by allowing greater following distance.

4. In an icy intersection you are hit by a car sliding through a stop sign on the cross street. Under these conditions you should not have entered the intersection until you were sure the other driver was able to stop.

5. You nearly hit a driver who steps out of a parked car into your path. Anticipate such an act by watching parked cars for a door slightly open or a person in the car.

6. You are crowded off the road by a driver overtaking your car because he did not have sufficient passing distance. When being overtaken watch traffic coming toward you and if necessary slow down to let the driver pass safely.

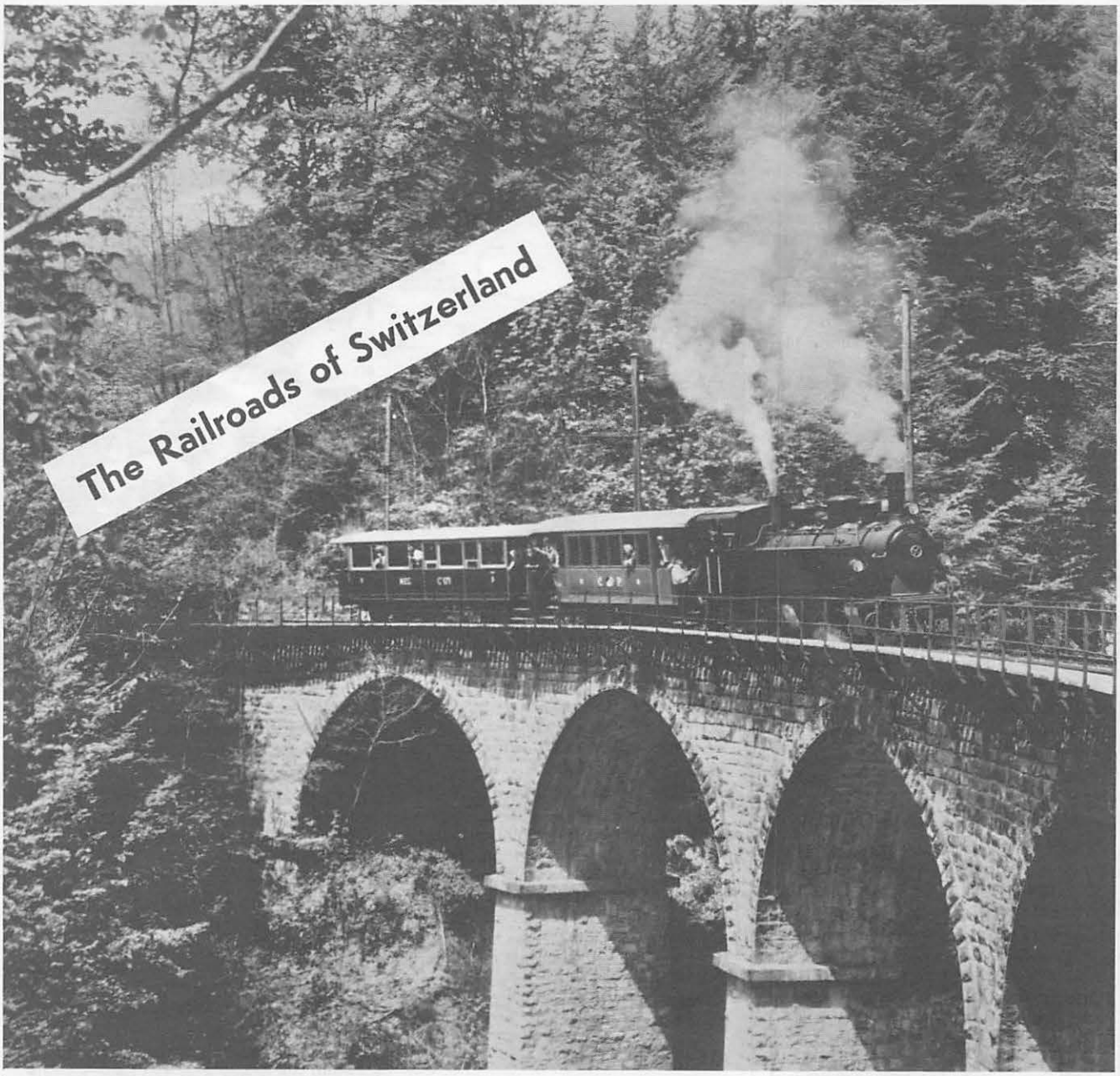
7. You are on a through street when the driver who had been waiting at a stop sign, pulls in front of you. Don't assume that the stop sign gives you one hundred percent protection. Watch traffic on the cross street.

8. You are on a freeway and are sideswiped by a car entering the freeway. This could be avoided by moving over to the left lane as you approach an interchange or by changing speed to leave a gap for the entering driver.

9. While going straight through an intersection you are hit by an approaching car making a left turn in front of you. Never assume the other driver will yield until he has come to a stop.

10. You meet an approaching driver who pulled into your lane because of construction work on his side of the highway. You should have anticipated this action and slowed down to let the other driver use your lane to get around the obstruction.

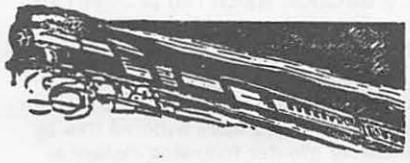
The Railroads of Switzerland



SWITZERLAND—A Paradise for Railroad Buffs. Here, the Blonay-Chamby museum steam train crosses a high viaduct, one of the more than 5,000 railway bridges in the country. The Blonay-Chamby Railfan Club, near Montreux, is one of the stops on Swissair's "Railroader" tour.

The romantic history of railroading dates back to Roman times when standard gauge rutways guided carts through narrow streets. In the 1500's, European miners transported ore on wooden rails in tubs with flanged wheels. Louis XV of France had his own railroad on the palace grounds. The era of "modern" railroading began in 1804 when the first locomotive was put into operation in Wales. In the decades that followed, railway lines gradually crisscrossed over most of the world and railroad technology developed apace.

The golden age of the American railroad is long past, but the automobile has not taken over so thoroughly in other parts of the globe. In Europe, the railroads are still the primary mode of transportation. There are over 5,000 miles of track in Switzerland alone. This figure may not sound too amazing until one considers that the country is only 226 miles long and 127 miles wide. Switzerland's rail network is one of the densest in the world and its frequency of schedule is rivaled only by Japan's.



Lying as it does at the heart of the continent, Switzerland is known as "the turntable of Europe." The Swiss have traditionally relied on the efficiency and extensiveness of their railroads to penetrate the natural boundaries of the forbidding Alps and link their land-locked country with the rest of the world. Nearly one third of the Trans-

European Express trains run in or across Switzerland.

The first Swiss train covered the 23-kilometer distance between Zurich and Baden in August, 1847. The Swiss have been making railroading history ever since. In 1885, a nine-mile tunnel pierced the Gotthard Alpine Wall, carrying travelers and goods through the massif instead of over the often treacherous Pass. The 12-mile Simplon Tunnel was opened in 1906, connecting Switzerland and Italy, and is still the longest railroad tunnel in the world.

Today, nearly 1,800 locomotives ply the rails of Switzerland. Most of the system is electric, smokeless, and noiseless. Because of their dependence on the railways, the Swiss have always made sure that their rolling stock and services were of the highest quality. The Swiss railroads run on schedule—and at a profit—nearly all the time. The Swiss railroads are a model of modern efficiency and technology but still retain the heritage of the adventurous and far-sighted railroad pioneers.

The American rail buff or anyone, for that matter, who mourns the demise of the Super Chief and The 20th Century Limited, can sample the wide variety of the Swiss railways—past and present. A Railroad tour offers the best and the most unusual of the country's vast transportation network, it includes 28 railroad systems, two streetcars, two Swiss Postal Buses, six boat trips, three funiculars, one aerial cablecar and six steam-operated trains. The nineteen technical visits include Zurich's Central Interlocking Tower (nerve center of the densest traffic station in Europe), model railroad centers and locomotive workshops. A number of special vintage trains are brought out of retirement especially for the participants. As a special feature, each tour member is given the opportunity to take over the controls of an electric locomotive and earn a Swiss Engineer's certificate.

The tour includes travel through the above-mentioned tunnels, and on the romantic "Amor Express" steam train, and the special steam train to Mount Rigi above Lake Lucere on the oldest mountain railway in Europe, and a cogwheel train to Mt. Pilatus at gradients of 48°. There are overnight stops in Zurich, Interlaken, Appenzell, St. Moritz, Locarno, Zermatt, Lucerne, Berne and Montreux.

For Our Retired Members: Help on Understanding Medicare

■ For decades organized Labor struggled to achieve low-cost medical care for retired workers in America.

In 1965, Medicare was established with the full endorsement of the AFL-CIO. Medicare is a health insurance program under social security that promises relief from the high cost of health care. There are two divisions of Medicare: hospital insurance and medical insurance.

Medical hospital insurance is based upon what is known as a "benefit period." A benefit period begins on the day you enter a participating hospital or nursing facility and ends when you leave. There is no limit to the number of benefit periods you can have, but costs vary depending on the length of stay.

For example, Medicare will pay all but the $72 deductible for a hospital stay of 60 consecutive days. From then on Medicare coverage will cost $18 a day until 90 days of hospital care is reached.

If a patient must stay in the hospital longer than 90 days, he may use his non-renewable "lifetime reserve" days at a cost of $36 a day. The lifetime reserve is presently available for only an additional 90 days of inpatient care. Medicare coverage stops after that, but resumes again when the patient leaves the hospital and re-enters at a later time.

Medicare hospital insurance also covers 100 days of care in a participating skilled nursing facility. The first 20 days are fully covered by Medicare, and the next 80 days cost $9.00 a day.

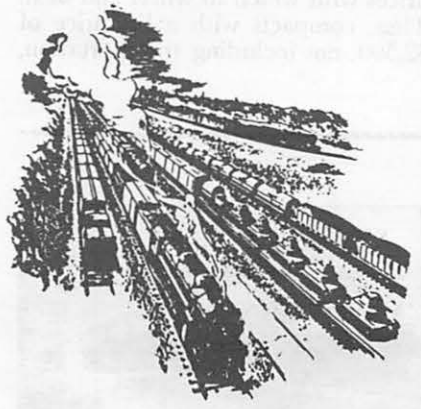
In addition to hospital and nursing home care, Medicare hospital insurance will cover up to 100 home health "visits" from a participating health agency prescribed by a physician. Usually these visits include part-time skilled nursing services or physical therapy after a hospital or nursing home confinement.

Medicare medical insurance is presently financed by monthly premiums paid by people enrolled in this part of Medicare and by equal amounts paid by the federal government. This voluntary insurance covers many costs not included in the hospital insurance.

For example, Medicare medical insurance pays 80 percent of physicians services, whether they are received in a hospital, doctor's office or home, or anywhere in the United States. The yearly deductible charge is $60, but radiology and pathology services performed by physicians are fully covered without any annual deductible charge.

Medicare medical insurance also covers outpatient hospital services in an emergency room or clinic of a hospital, including physical and speech therapy. Certain ambulance services are also covered, plus $250 a year for treatment of mental illness.

For complete information on Medicare contact your local Social Security Office.



Rock Island Reproduces Vivid 1884 Railroad Map

A striking reproduction of a big 1884 map of U.S. railroads, published by the Rock Island Lines, is being offered by the RI for $1, plus 25 cents for handling and postage. The map is over three feet wide, and on its reverse side are timetables of Rock Island trains and connecting lines, also tariffs and special rates for immigrants and settlers in the midwest.

Checks for the map, the RI said, should be made out to Rock Island Lines and sent to the RI's Public Relations Department, 139 W. Van Buren St., Chicago, Ill. 60605. Multiple purchases mailed to a single address require only one 25 cent handling and postage charge.

SEPTEMBER BUYING CALENDAR:

CONSUMERS UNDER THE GUN

FOR THE FOURTH TIME this year the public has come under the gun of open threats of shortage and withheld supplies unless they and their political leaders consent to big price increases.

The most notorious instance of blackmail by shortage is, of course, the withheld supplies of beef and the huge price runup on pork, broilers, and eggs. For the first time since the days of the Pilgrims, broilers have been selling for more than turkeys. Turkey obviously has become much the better buy. You also get more meat per pound; 10 percent more in the case of small turkeys, 14 percent more from big birds.

The worst job the press has done has been in accepting at face value the claims of shortage and feed prices too high to warrant production of eggs and broilers even though their prices have more than doubled since a year ago.

The fact is, it takes only 2½ pounds of feed to make a pound of chicken. My calculations indicate that the cost of feed needed to make a pound of chicken has gone up about 7½ cents. Yet, the retail price of broilers has jumped 48 cents a pound—from a typical 36 cents a year ago to 84 cents as this is written.

On eggs, too, both farmers and speculators are reaping increased profits out of the big jump in price because of a claimed shortage. The New York State Agriculture and Markets Department reports that in 1972, farmers had to pay the equivalent of 13.3 dozen eggs at last year's average prices, to buy 100 pounds of feed. But at recent prices it took only 10 dozen eggs. Thus, the price of eggs went up much more than the highly-publicized increase in the cost of feed.

The third threat has come from banks and other mortgage lenders. Even though several states have succumbed to the threat of no mortgages, and so raised permitted rates to 8% the lenders now say they won't make mortgages available unless they are allowed to charge even more.

Some families are going to be in economic bondage most of their lives because of these high rates. A family that takes out a $30,000, 30-year mortgage at 8% will have to repay a total of $79,272. That's $49,272 just in interest, in addition to the original $30,000.

Another gun pointed at the public is the shortage of petroleum products. As well as the shortage of gasoline, we are now being warned that fuel oil may be scarce this winter.

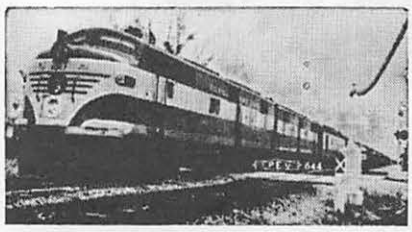
Here are pointers on steps you may need to take in September to protect your family from these inroads on living standards:

Car Clearances:

There is no auto shortage, nor shortage of profits as the auto industry celebrates its highest volume and biggest profits. Yet, manufacturers have announced plans to seek increases of $35 to $100 on 1974 models and meanwhile will try to think up a shortage.

September clearances of 1973 models offer some chance of savings. Compact and intermediate models have enjoyed the greatest sales boom this year. So be warned that more of the big gas-eaters may be promoted at discounts this month. It may be no bargain to get a car that gives you only eight to ten miles per gallon even at a reduced price.

You can figure that on compact cars dealers usually have a margin of $350 between wholesale and list prices with which to wheel and deal. Thus, compacts with a list price of $2,500, not including transportation, sales tax, preparation and optional equipment, cost the dealer about $2,150. He usually also has a margin of 14 to 20% on optional equipment.



On intermediate-size cars, with list prices of $2,700 to $3,000, the dealer usually will have a margin of $500. Thus, you should be able to get a discount from list of up to $200 on a compact model and up to $350 on an intermediate, plus some discounts on optional equipment.

Oil Burners

It would be useful to fill up your oil tank before cool weather arrives, and adjust your burner for maximum efficiency. The average home wastes considerable fuel through inefficient operation of the heating plant.

Skipping the needed annual cleaning wastes fuel. The value of the cleaning is not only to keep the heating-plant components operating efficiently but to reduce oil consumption. The carbon on the heating tubes of hot-water boilers and on warm-air furnaces acts as insulation. Instead of being absorbed by the metal, the heat goes up the flue.

But even when you do have your heater cleaned, the service-man may not take the time to make the final careful adjustments. He should analyze the carbon dioxide content of the flue gas, the draft intensity over the fire and in the smoke pipe, and the stack temperature. The higher the carbon dioxide, the more complete the combustion. The clue to thorough adjustment is whether the servicemen used filter paper and instruments to analyze the flue gases and measure the temperature of stack gases. (Efficient operation also will reduce carbon monoxide inside your house and air pollution in your neighborhood.)

One clue to efficient operation which you can verify yourself, is the color of the flame. It should be orange-yellow, bushy, and even in shape; should never look or sound like a blow-torch or show more than a slight tinge of smoke at the tips, or produce visible chimney smoke.

(Cont'd. from page 190)

bor must be constantly on the alert to defend against those who would divide and destroy us and restrict our rights to bargain collectively in a free society.

Chamberlain reminded the delegates that in Las Vegas in 1970, Grand Lodge reported to that convention the unsatisfactory labor-management relations that existed on almost every carrier. He said, we are happy to tell the delegates to this convention that the past several months have seen a decided change take place in the industry. At the national level, Mr. W. H. Dempsey, chairman of the National Railway Labor Conference, has instilled new life into railroad labor negotiations.

There is an urgent need to bring all of the railroad labor organizations back together again under the Railway Labor Executives' Association, Chamberlain stated.

President Chamberlain told the delegates that they should recognize from all of the foregoing matters that he had briefly mentioned that our organization has its work cut out for it in the future.

Mr. William H. Dempsey, Chairman of the National Railway Labor Conference, addressed the opening day public session and discussed the history and crisis in the labor relations of the rail industry.

To accomplish these future objectives, he stated, we must have adequate financial resources. He then called on this convention to assert itself and take positive action to keep our Brotherhood moving and financially sound.

He said the unanimous decision by Grand Lodge officers to construct a new headquarters building certainly should indicate to all that the BRS is going to be in business for some time to come.

The Grand Lodge referendum proposal of October 27, 1972, he noted, was a most comprehensive proposal which covered many areas and recommended many changes in our operation. He stated each and every recommendation in the referendum, in the judgment of Grand Lodge officers and General Chairmen, was a change that would improve our operation at all levels. However, the referendum package was soundly defeated. A poll was taken as to why the referendum failed and he noted several reasons that were outlined to Grand Lodge officers by General Chairmen, and stated the Committee on Laws took all of these factors into consideration when making their recommendations to the convention.

He said that at this convention it was absolutely essential that we demonstrate by our action to all concerned that we are united and dedicated to the common objective of working together to overcome our present and future problems. As long as we work in unity our combination is unbeatable.

J. W. (Wally) O'Brien, Vice President, Sheet Metal Workers' International Association, in charge of railroads, and Vice Chairman of the RLEA, told the delegates and their families that he feels the Golden Age of Railroading has not yet arrived.

Two former leaders of the BRS took an active role in the 39th Convention and attended all sessions. President Emeritus, Jesse Clark, on left, served as temporary chairman on opening day. President Emeritus A. E. (Art) Lyon, chaired the Convention on Thursday during the election of President Chamberlain.

Each delegate must make his decisions based on the facts and what is right for the Brotherhood of Railroad Signalmen as a whole, he said, and called upon every delegate to stand up and be counted and to vote his conscience.

In closing, President Chamberlain asked for Divine guidance and blessing for the future upon the convention, its membership, and our fellow men.

President Chamberlain then introduced the next speaker, Mr. John W. Ingram, the Department of Transportation's Administrator of the Federal Railroad Administration.

Mr. Ingram thanked the BRS for their support of railroad safety legislation since the original Signal Inspection Act was passed by Congress in 1937. He said the FRA appreciated the efforts of the BRS in working for greater railroad safety and in bringing needed improvements in signal devices to the attention of those concerned with legislation and funding.

Ingram cited the great strides that have been accomplished in the area of safety and said both he, and DOT Secretary Claude S. Brinegar, were counting on the BRS's continued help in bringing safety problems to the attention of railroad management, the Congress, and the public.

He reassured the delegates that signalmen are needed more now than ever before for efficient and economic freight and passenger train operation. He noted that while signalmen's functions may differ from those performed before the advent of solid state electronics, the need for their services will be enhanced with increased application of modern technology.

Ingram praised the role our organization's reports on grade crossing problems played in materially influencing and supporting the FRA's investigation that resulted in a two-volume report to Congress last year. These reports found need to install automatic protective devices, such as gates, and flashing lights, on 30,000 rail highway grade crossings.

The FRA envisions these improvements to be made over a period of 10 years at an annual rate of 3,000 new or improved installations, he said. And, he asked the delegates to recognize the magnitude of this program by comparing the FRA's recommendations for 3,000 projects per year with the present rate of about 1,200 per year.

Speaking about the FRA's present program of compiling a systematic and thorough inventory of every grade crossing in the United States, he noted this program is a direct outcome of earlier BRS cooperation and is a very good example of what labor, management and government, can accomplish by working together. He also noted a large measure of the credit again must go to President Chamberlain.

He called attention to the fact that President Chamberlain was elected in 1967, the same year the FRA was created, and during those six years President Chamberlain has worked with the FRA to make railroads the best, the safest, the most efficient, the most economical, and, therefore, the most desired mode of transportation throughout the nation.

Then he discussed the northeast railroads that are in deep financial trouble and told of the DOT's plan to restructure the bankrupt roads into new systems. The DOT's proposed plan calls for the abandoning of surplus, unprofitable track, and a reduction in the number of employes through retirement and attrition. He stated that when the surplus lines are removed, traffic on remaining lines will be increased. This means tighter scheduling, more reliance on an increased number of good signal systems, and more work on track and plant maintenance. Solving the Northeast problem is really a chance to revitalize all the railroads, he said.

Ingram noted that our organization ahead of all other unions, rallied to the support of one of the most important railroad safety legislations, the Signal Inspection Act of 1937, which preceded the 1970 Railroad Safety Act by 43 years.

He mentioned the Rules, Standards and Instructions for signal systems and commented on how our organization cooperated with the FRA in assisting in enforcing these rules. This is certainly responsible for the very low rate of signal-related accidents, he said, and noted that the signal and train control inspectors in the FRA were a group the Administration was proud of and held up as models for inspection in other railroad areas.

The FRA, he stated, was in the process of adding inspectors to their field forces and hoped the number will further increase as their comprehensive safety program begins to take effect.

Mr. Ingram closed by wishing the BRS the most successful convention in the organization's illustrious 72 year history.

Other speakers on the opening day program were: Mr. William H. Dempsey, chairman of the National Railway Labor Conference; Mr. Al

Chesser, president of the United Transportation Union and chairman of the Congress of Railway Unions; J. Wallace O'Brien, vice president of the Sheet Metal Workers' International Association and vice chairman of the Railway Labor Executives' Association.

Secretary-Treasurer Bates announced the itinerary for the week.

The public session of the convention adjourned and the delegates reconvened for the first general session of the convention.

Secretary-Treasurer Bates then announced that the credentials of a record number of delegates had been reviewed and moved the delegates whose credentials were found in order be seated.

President Chamberlain announced the appointment of the following officers:

CHAPLAIN, H. R. Neihart (103)
LEVER, Frank Flynn (54)
INSIDE SEMAPHORE, W. T. McEnteer (134)
OUTSIDE SEMAPHORE, D. R. Stranberg (144)
TELLERS APPOINTED to tabulate ballots cast during the convention were as follows:
J. R. Riggs (20)
J. N. MacTaggart (167)
Howard Friedel (86)

Credentials Committee:
was comprised of:
R. T. Bates, Sec.-Treas., GL, Chairman
J. McCormick (187)
W. Radziewicz (88)

Committee on Committees:
W. A. Class, Jr., Chairman (BN)
V. J. Sartini (N&W)
B. E. Britcher (Penn)
W. E. Crawford (SP)
A. Gavine (165)

The Committee on Committees submitted to the convention for approval names of delegates who were requested to serve on the various other committees. Those appointed to these committees were:

Committee on Rules and Order of Business
W. E. Ferguson, Chairman (24)
R. T. McGill (PC)
H. W. Parsons (UP)
R. B. Flowers (L&N)
E. D. Hodsdon (Soo Line)
G. G. Gross (SCL)
J. Butler (136)
A. T. Olson (168)
J. L. Turner (182)
C. A. Belch (125)
J. Goda (12)
Alternates:
M. W. Kiser (17)
D. Lattner (29)

Mr. N. P. Speirs, Labor Member, Railroad Retirement Board, explained that practically all retirement benefits had doubled since 1970.

Committee on Officers Report
J. J. Morris, Chairman (T&P)
V. D. Unger (108)
R. E. Brennan (B&OCT)
F. J. White (SP-T&NO)
R. F. Richardson (BN)
V. D. Unger (108)
J. R. Downs (64)
W. Abner (82)
J. O. Dufort (118)
R. E. Wierema (153)
L. R. Silva (173)
B. J. Woodruff (ICG)
Alternates:
J. J. Andrews (11)
R. W. Hartsock (15)

Committee on Appeals
Henry Gerth, Chairman (C&NW)
M. E. Hyde (174)
H. Hueston (204)
R. C. Buck (14)
C. R. Vaught (Southern)
C. K. Kiernan (PC)
W. D. Corn (MP)
J. R. McDonald (B&O)
A. Bretschneider (CMStP&P)
R. M. Shade (155)
Alternates:
J. H. Croxton (46)
R. Migler (69)

Mr. J. J. Eash, Chief Engineer, P.C., and Chairman of the AAR Communication and Signal Section, told of the C&S Section's efforts to develop materials for education and training of C&S employes.

Committee on Resolutions
R. R. Van Vacter (AT&SF)
A. Dickey (92)
L. T. Davies (CMStP&P)
H. H. Parker (C&O)
L. Sedlacek (8)
S. J. Muzi (EL)
J. Sottile (LI)
R. E. Markle (77)
J. C. Baldwin (16)
J. R. Dickson (204)
J. M. Lenart (102)
Alternates:
R. C. Carlisle (93)
R. A. Pellow (189)

The work performed by the committees during the week is one of the most important functions of the week-long meeting. Delegates accepting appointment to these committees must attend meetings which are held in the evening or late afternoon when the convention is not in session.

Each committee has its specific function. For instance, the Resolutions Committee studies each resolution referred to it and, in many instances, consults the delegate from the local sponsoring it. After thoroughly reviewing the proposal, the committee votes on whether it should be adopted by the convention. Its chairman then reports the committee's finding to the convention which votes to accept or reject the recommendations of the committee.

Prior to the convention, all resolutions that proposed changes in the Constitution and Ritual were referred to the Committee on Laws. This committee is composed of the Grand Board of Trustees and three Vice Presidents.

Under the Constitution, the Chairman of the Board of Trustees Brother W. W. Lauer, is Chairman of the Committee on Laws. Other members of the committee at this convention were: G. A. Harrington, J. E. Dubois, as members of the Board of Trustees, and Secretary-Treasurer R. T. Bates and Vice Presidents C. S. Chandler and W. W. Altus.

The committee studies each res-

olution referred to it and reports its recommendations to the convention which either adopts or rejects its findings. In addition the committee may recommend changes, additions and alterations to the Constitution and Ritual to the convention.

Because of the pending negotiations and strike action in Canada, Grand Lodge Representative John Platt had to leave the convention on Monday morning. Grand Lodge Representative R. R. Mitchell was in Western Canada arranging strike assignments in that region and never did attend the convention.

At this time President Chamberlain placed a resolution before the convention and requested the delegates to this 39th Regular Convention to go on record as fully supporting our membership in Canada and other involved railroad workers, if they find it necessary to withdraw from service to win justice in their long struggle.

All delegates rose in support of this resolution.

THE GAVEL WAS SOUNDED promptly at 9:00 a.m. Tuesday morning by President Chamberlain.

Mr. James L. Cowen, chairman of the Railroad Retirement Board, was introduced by President Chamberlain. Mr. Cowen explained that the R.R.B. is headed by three presidential appointees representing labor, management, and the public.

Cowen said people who are not familiar with how pension plans operate ask how the Railroad Retirement program can have a problem since it has $4.4 billion in investments. He then explained how the plan is financed and the amount of funds presently being paid to retired brothers and sisters, their wives and dependents and also widows.

He also explained the coordination between the Railroad Retirement system and the Social Security system, taxation, benefits and other areas covered under the Railroad Retirement plan.

Mr. Cowen stated the March 7, 1973 agreement did not solve the problems of the Railroad Retirement program but did indicate that labor and management officers knew what the problems are and are willing to sit down and try to resolve them. He said they should be able to reach some agreement which will provide a long-range solution to the problem.

President Chamberlain introduced A. T. Otto, president of the Railroad Yardmasters of America. Mr. Otto said, although he represents a smaller organization they want to retain their independence, and that some of the things that go with independence come high. However, Otto explained most members feel the independence is worth the price they are required to pay. In conclusion, Otto said, his organization has enjoyed affiliation with our Brotherhood and hoped it will continue.

Chairman Ferguson of the Committee on Rules and Order of Business reported his committee had met and adopted rules to govern this convention. He then proceeded to read the recommended convention rules and they requested the committee's report be adopted. The committee's report was adopted with certain amendments that were suggested from the floor.

Other committees that reported were the Committee on Appeals, whose chairman, Henry Gerth, reported that no appeals had been presented to the committee, however, the committee would be available if still needed.

Chairman Jess Morris gave the report for the Committee on Officers' Report. Brother Morris said the committee carefully reviewed the Officers' Report and found it well prepared. The committee recommended the officers continue to report in the book form as was presented to this convention. The convention moved to adopt the committee's recommendations.

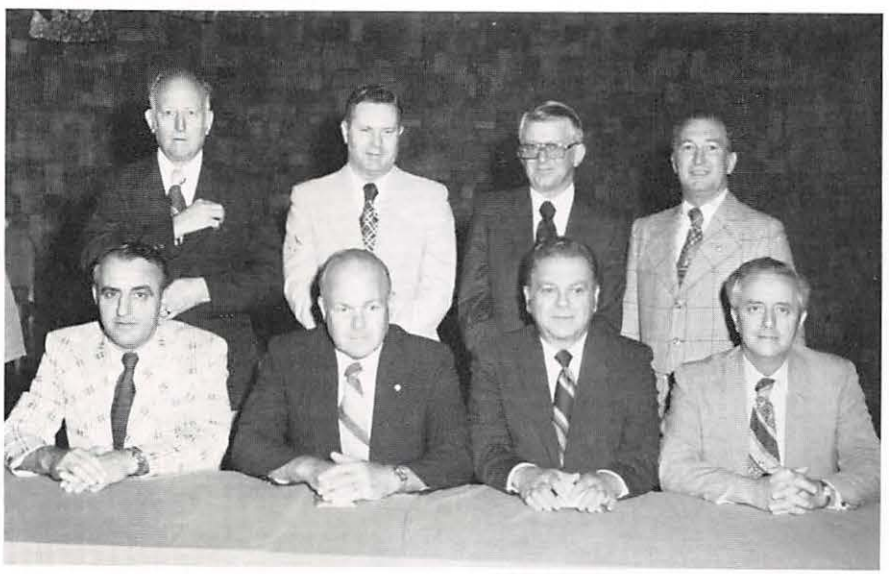
President Chamberlain stated that many of our Canadian delegates would have to return to Canada later in the week due to the pending strike and requested certain recommendations in the Committee on Laws report that related to Canadian affairs be handled as the next order of business.

The convention approved this action and Brother W. W. Lauer, chairman of the Committee on Laws, was given the floor to present the committee's report. Chairman Lauer noted there were several resolutions submitted that proposed changes in the Constitution concerning the location, the month, and length of time between regular conventions of our Brotherhood.

Brother Lauer explained the Laws Committee concurred with the intent of resolutions which provide that regular conventions be held in Chicago, Illinois. However, the Laws Committee recognized the delegates prefer to select the next convention city. Also, that each succeeding convention could amend this section of the Constitution to allow the selection by the delegates of the convention city.

The Laws Committee did recommend that Chicago be chosen as the next convention city and that quadriennial conventions would best serve the membership.

After much debate and discussion the question was called for and the vote defeated and the resolution



The delegates to the 39th Convention elected the above officers who will serve as the Grand Executive Council for the next three years. Shown above from left to right, seated, are: R. T. Bates, Secretary-Treasurer; C. J. Chamberlain, President; C. S. Chandler and M. B. Frye, Vice Presidents. Standing, left to right, are: Vice Presidents G. F. Harper, J. T. Bass, W. W. Altus and J. W. Walsh. Newly elected Vice President J. E. Platt, had returned to Canada when this picture was taken.

was referred back to the Laws Committee.

Chairman Lauer referred the delegates to resolutions dealing with changes in the Constitution that would establish the amount and manner of payment of members' dues in order to assure adequate financing of our organization.

The committee's recommendations were amended, and after a prolonged discussion, was voted on and carried as amended.

This resolution, as amended, established that effective October 1, 1973, the per capita tax for each member will be 1 and ⅓ hours per month at the basic mechanics' hourly rate of pay. The present basic hourly rate of pay established for the October 1, 1973 effective date is $5.52 per hour.

On Tuesday afternoon after the convention adjourned a work shop was conducted by Grand Lodge officers and Federal Railroad Administration personnel on many areas of interest.

Grand Lodge Representative J. W. Walsh introduced Associate Administrator Mac E. Rogers of the FRA's Office of Safety; Donald W. Bennett, Chief Counsel, FRA; and several of the personnel people from the FRA's Office of Safety. Brother Walsh explained that the FRA has taken over all of the personnel and duties of the former Bureau of Safety under the I.C.C., also, all inspection requirements of the Rules, Standards and Instructions of Signal Systems.

The meeting was then turned over to Mr. Rogers who explained how his department was made up, the duties and functions of each branch and how these branches applied to the members of our organization. Mr. Rogers discussed the Signal and Train Control inspectors in the Office of Safety and how these inspectors make inspections as required by the Signal Inspection Act and the numerous other duties these officers perform. Mr. Rogers explained how complaints of violations of the R.S.&I. are investigated by the Office of Safety inspectors.

Mr. Rogers also reported on the duties of the Railroad Safety Board and how when his office receives applications from the carriers requesting to modify or remove an existing signal system, notices of the application are sent to all interested parties allowing these parties to enter their remarks on the contents of the application.

Interested parties can protest these applications to Mr. Rogers' office during a specified time. The protest should cover any unsafe conditions that could exist if the carrier's application was approved. Mr. Rogers explained the Signal and Train Control Inspector also investigates the contents of the application and submits recommendations to the Railroad Safety Board. The Board then either approves or disapproves the carrier's application after reviewing all aspects of the facts submitted.

Mr. Rogers also explained certain sections of the Occupational Safety and Health Act that are presently applied to the railroad industry and assigned to his Office of Safety.

Mr. Don Bennett explained the duties of the Chief Counsel's office and how his office can and does assist our members. As Chief Counsel for the FRA Don Bennett's office is responsible for enforcing all reported violations that are not corrected, all new rule making for the FRA, and handles matters in many other areas.

Because of the shortage of time this work shop session did not accomplish all that was intended. President Chamberlain, therefore, invited Mr. Rogers and Mr. Bennett to the next General Chairmen's meeting and reported such plans would insure sufficient time for all to gain first hand knowledge on the complete FRA operation and how it applies to the members of our organization.

CONVENTION HIGHLIGHTS

- Changed the present Grand Lodge per capita tax by adopting a formula for per capita tax to Grand Lodge that is based on 1⅓ hours per month at the minimum hourly rate of pay of mechanics, effective October 1, 1973. The present minimum mechanics hourly rate is $5.52.
- Re-elected six officers and elected three new Vice Presidents.
- Urged action to amend the Federal Hours of Service Act to include signal department employes so that they could not be forced to work excessive hours without rest.
- Changed the present position in Canada from a Grand Lodge Representative to a Vice President and elected John E. Platt to the new position.
- Instructed Grand Lodge, setting guidelines for future wage and fringe benefit improvements, giving priority to inclusion of a cost-of-living clause.
- Endorsed resolutions calling for dental care and eye care to be included in the present Health and Welfare program. Also, to seek a 32 hour week without loss of 40 hours pay.
- Overwhelmingly supported a proposal that Grand Lodge subscribe to Labor Newspaper for all active members in the United States and to the Canadian Railway for active members in Canada.
- Endorsed the Kennedy-Griffiths bill for a national health security program as the only legislation currently before Congress that would "offer comprehensive health benefits to all Americans."

The Grand Board of Trustees elected at the Convention for the next three years are, from left to right: W. W. Lauer, Chairman; G. A. Harrington, Secretary; and John McCormick, Member.

Obituary

VIVIAN C. ALTUS, wife of BofRS Vice President, W. W. Altus, passed away suddenly June 11, 1973. She was 45.

Born in Fordoche, La., she was the daughter of Mr. and Mrs. Joseph Stewart. She was preceded in death by her parents and two sons in infancy.

Mrs. Altus was employed as a claims examiner for Crumm and Forester Insurance Company, Chicago.

She is survived by her husband, Walter W. Altus, Jr.; one daughter, Sharen K. Ryan of Streamwood; two brothers, Kenneth J. Stewart of Louisiana, and Jimmy A. Stewart of New York.

The Grand Lodge officers, General Committee officers, Local Lodge officers and members, and the Grand Lodge Headquarters staff, extend their deepest sympathy.

ED.

J. E. Hyde, General Chairman, Southern Joint General Committee and a member of Local 49, passed away May 10, 1973. He was 50.

Brother Hyde was elected General Chairman of the Southern Joint General Committee in December, 1972. Prior to that he had served Local 49 as Local Chairman, Recording Secretary, and Financial Secretary-Treasurer from 1957 until 1966 and then from 1969 until his election as General Chairman.

He was employed with the Southern Railway on the Western Lines starting as a signal helper, June 22, 1949. He was promoted to assistant signalman in December 1949 and signal maintainer September 1951. Prior to assuming the full time General Chairman position in 1972 he was headquartered at Jackson, Georgia.

Brother Jim was a Mason and a member of the Baptist Church.

He is survived by his wife, Eva Mae Hyde; two sons, Richard and Ronnie, and three grandchildren.

Grand Lodge officers join the officers and members of Locals 49 and 110 in extending their deepest sympathy to the members of his family.

Ed.

Murdoch L. "Doc" Johnston, retired member of Local 50, Penn Central, former Pennsylvania Railroad, passed away July 12, 1973. He was 89.

Brother Johnston was born in Canada and came to the United States and made his home in Downingtown, Pa. He went to work in the signal department in 1913 as a signal fitter. At the time of his retirement in 1951 Brother Johnston had completed 38 years of service with the Pennsylvania Railroad. He was employed as a leading signal maintainer at Lancaster, Pa.

The officers and members of Local 50 extend their deepest sympathy to his family.

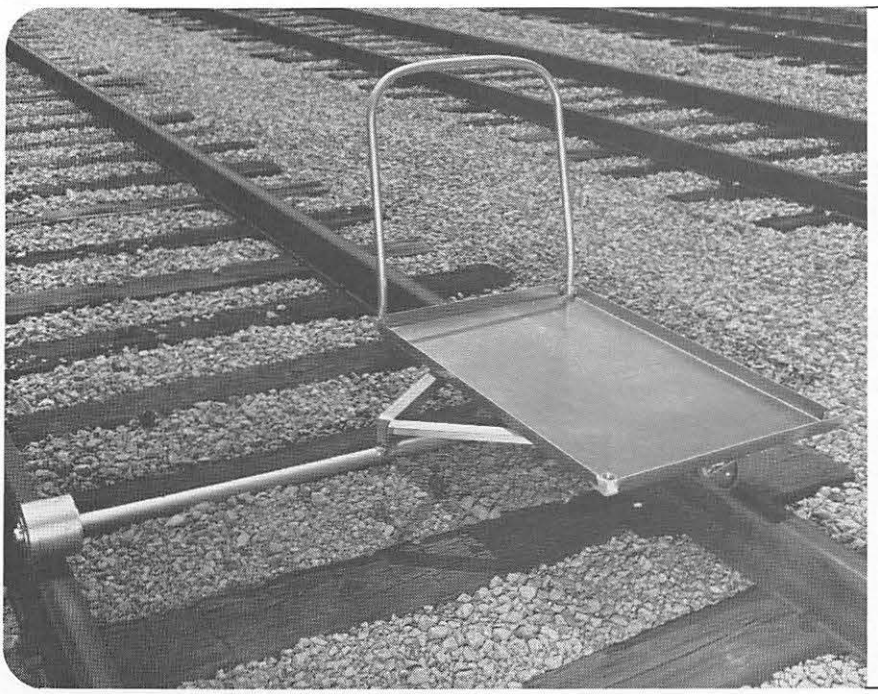
Ed.

Clifford S. Andre, retired member of Local 29, Illinois Central Gulf Railroad Company, passed away June 19, 1973.

Brother Andre retired in 1958 due to ill health after completing 31 years of service with the Illinois Central Railroad. He was employed as a signal maintainer at Freeport, Illinois when he retired.

He is survived by his wife and a son to whom the officers and members of Local 29 extend their deepest sympathy.

D. H. LATTNER



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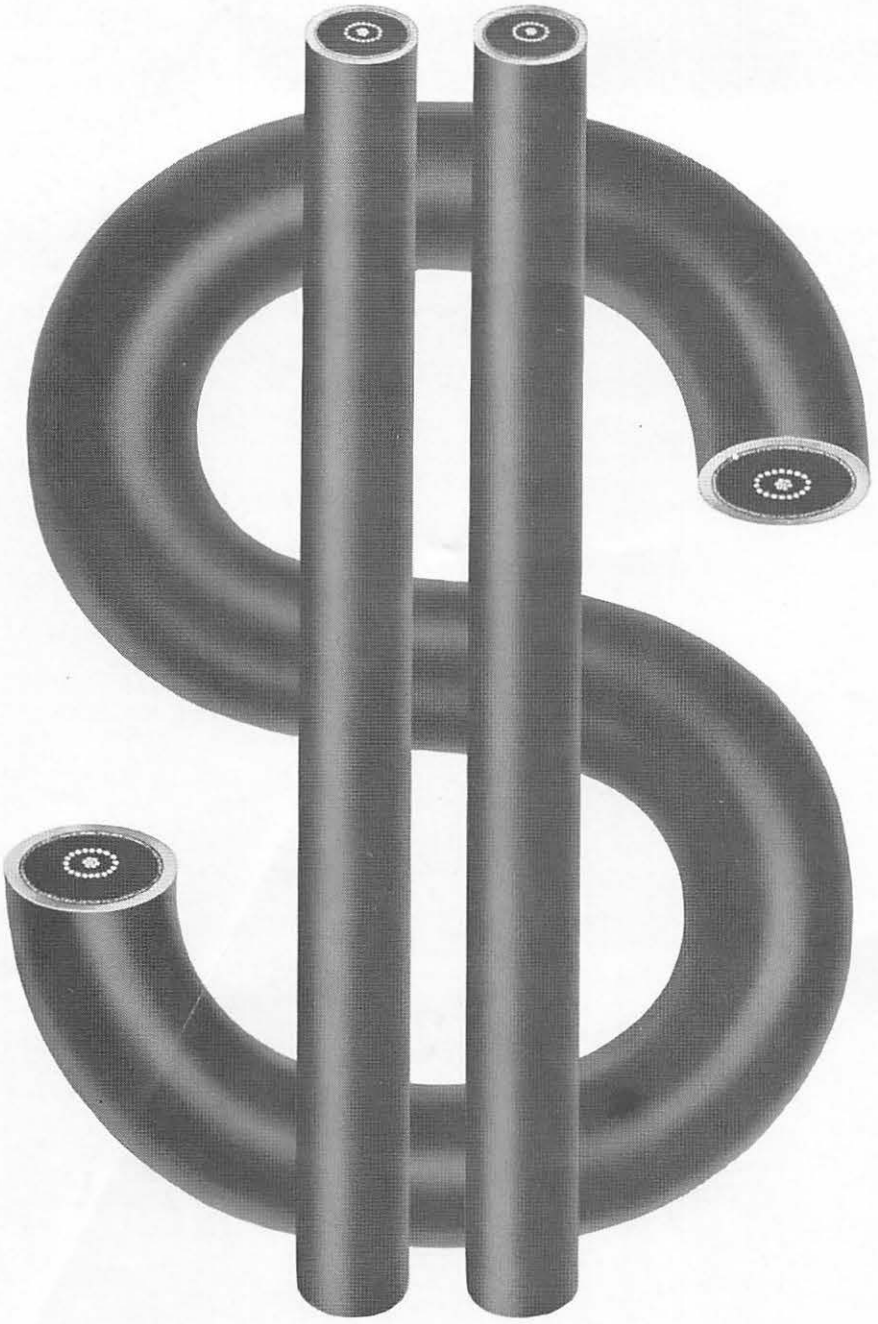

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